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City of Gonzales Housing Element 2000 - 2007



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Table of Contents

B. Community Profile	6
C. Housing Characteristics	21
D. Housing Needs	24
E. Housing Opportunities	32
F. Development Constraints	41
G. Evaluation of the 1996 Housing Element	54
H. Goals, Policies, and Quantified Objectives	85
I. Action Program	91

List of Tables

Table IV-1 POPULATION GROWTH IN GONZALES AND MONTEREY COUNTY 1950 - 2000	6
Table IV-2 POPULATION TRENDS IN GONZALES AND SURROUNDING COMMUNITIES	7
Table IV-3 HOUSEHOLD TYPE AND PRESENCE OF CHILDREN, 2000	8
Table IV-4 AGE DISTRIBUTION OF GONZALES AND MONTEREY COUNTY POPULATION, 2000	9
Table IV-5 RACIAL AND ETHNIC DISTRIBUTION OF GONZALES AND MONTEREY COUNTY POPULATION, 2000	9
Table IV-6 HOUSEHOLD SIZE, GONZALES, MONTEREY COUNTY AND CALIFORNIA, 2000	10
Table IV-7 2000 INCOME DISTRIBUTION OF GONZALES AND MONTEREY COUNTY HOUSEHOLDS	11
Table IV-8 POVERTY STATUS IN GONZALES AND MONTEREY COUNTY, 2000	12
Table IV-9 INCOME GROWTH: 1990-2000, GONZALES AND NEARBY CITIES	12
Table IV-10 UPPER LIMITS FOR INCOME BRACKETS IN MONTEREY COUNTY APRIL, 1993	13
Table IV-11 HOUSEHOLD INCOME, GONZALES: 1990 and 2000	14
Table IV-12 HOUSING OVERPAYMENT, GONZALES: 1990 AND 2000	15
Table IV-13 EMPLOYMENT OF GONZALES RESIDENTS, 1990 and 2000	16
Table IV-14 HOUSING CHARACTERISTICS BY TENURE, 2000 GONZALES AND MONTEREY COUNTY	17
Table IV-15 HOUSING UNITS BY STRUCTURE TYPE, GONZALES: 1990-2000	21
Table VI-16 HOUSING UNIT PROFILE: GONZALES AND NEARBY JURISDICTIONS, 2000	21
Table IV-17 VACANCY CHARACTERISTICS, 1990	22
Table IV-18 AGE OF HOUSING, 2000	22
Table IV-19 HEATING, COOLING AND PLUMBING, 2000	23
Table IV-20 MEDIAN HOME VALUE AND RENT, 2000	23
Table IV-21 POPULATION FORECASTS FOR SELECTED MONTEREY COUNTY CITIES	24
Table IV-22 RATE OF ANNUAL POPULATION CHANGE PROJECTED FOR SELECTED MONTEREY COUNTY CITIES	24
Table IV-23 AMBAG REGIONAL SHARE ALLOCATION FOR GONZALES: 1/1/00 - 7/1/07 (New Construction Need in Units)	25
Table IV-24 HOUSING CONSTRUCTION BY TYPE: 1/1/00 - 12/31/01	25
Table IV-25 HOUSING UNITS NEEDED TO MEET FAIR SHARE TARGET 1/1/02 - 7/1/07 (Revised New Construction Need in Units)	26
Table IV-27 SUMMARY OF HOUSING OPPORTUNITIES BY 2007	39
Table IV-28 SUMMARY OF "FAIR SHARE" HOUSING OPPORTUNITIES BY 2007	40
Table IV-29 DEVELOPMENT STANDARDS	43
Table IV-30 TYPICAL RESIDENTIAL PERMITTING FEES IN GONZALES - 2002	46
Table IV-31 FEES FOR TYPICAL RESIDENTIAL UNITS IN GONZALES - 2002	47
Table IV-32 SUMMARY OF HOUSING TARGETS: JANUARY 1, 2000 - JULY 1, 2007	91

GONZALES HOUSING ELEMENT 2002-2007

A. Introduction

1. What is The Housing Element?

The Housing Element addresses the provision of safe, affordable housing for existing and future Gonzales residents. The Element is designed to meet the statewide goal of providing a decent home and suitable living environment for all Californians. It is also designed to meet local and regional goals for maintaining and improving the quality of life by making housing accessible to people of all ages, incomes, races, and physical capabilities.

Housing Elements have been required in California since the late 1960s when the State Government Code was amended to include specific standards for their preparation. Each local government is required to develop numerical housing production and rehabilitation objectives, as well as a five-year action program to achieve these objectives. State law requires that Housing Elements be revised every five years. This document updates the 1996 Gonzales Element and covers the period 2002 - 2007.

Additional requirements have been added to Housing Element law over time, including allowances for second units and mobile home parks and, more recently, provisions to protect units at risk of losing government subsidies and evaluation of housing for those with disabilities. This Element points out the actions needed to comply with all current State housing laws. Many of the programs in the Action Plan respond to specific State mandates.

2. Required Content

Article 10.6, Section 65583 of the Government Code describes the required contents of the Housing Element. These requirements are as follows:

(1) An assessment of housing needs and an inventory of resources and constraints to meet these needs.

This includes analyses of:

- Population and employment trends, including existing and projected housing needs for all income levels household characteristics, including ability to pay for housing, housing condition, and degree of overcrowding availability of land and community services for new housing governmental constraints which might impede housing production, such as fees, processing, and land use controls
- Nongovernmental constraints which might impede housing
- Production, such as the price of land and the availability of financing
- Special housing needs in the community, including the needs of farmworkers, seniors, single parents, the homeless, the disabled, and large families
- Opportunities for energy conservation within residential development
- The consequences of expiring subsidies or affordability restrictions on publicly assisted units.

(2) A statement of the community's goals, quantified objectives, and policies relative to the maintenance, improvement, and development of housing.

(3) A program which sets forth a five-year schedule of actions that the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the Element.

The program must do the following:

- Identify adequate sites to meet the housing needs for all income levels identified in the Element.
- Assist in the development of adequate housing to meet the needs of low and moderate-income households.
- Address and, where possible, remove governmental constraints to housing maintenance and development.
- Conserve and improve housing conditions.
- Promote equal opportunities and access to housing.

The program must identify the agencies and officials responsible for implementing these actions.

The Housing Element is also required to contain an evaluation and assessment of the previous (1996) Housing Element and a description of the public participation program used to develop this Element.

3. Relationship of the Housing Element to Other Plans

1996 Housing Element. This document replaces and supersedes the 1996 Element. That Plan served as the City's official housing policy from 1996-2000, but its "future" objectives are based on a time horizon that has already passed. In some instances, the 1996 policies and program recommendations are still valid, but in other cases, they do not reflect current issues and conditions in Gonzales. This Update incorporates demographic and housing condition data from the 2000 Census and responds to the rapid population and household growth that occurred in Gonzales during the late 1990s and early 2000s.

Monterey County Housing Element. The 1992 County Housing Element focuses on housing policies and programs for unincorporated Monterey County, including land in the Gonzales Planning Area. Gonzales has taken the County's Element into consideration in developing its own policies and programs. Several of the action programs in the City's Element implement county policies at the local level. Other action programs rely on the County, particularly the Housing Authority and the Department of Social Services, for implementation.

AMBAG Regional Housing Needs Plan. The 2002 Association of Monterey Bay Area Governments (AMBAG) *Housing Needs Plan* identifies the "fair share" housing allocations for each city in the Monterey Bay Region, including Gonzales. The Plan recognizes that providing affordable housing is not a task that each city can do in isolation. Economic and environmental factors affect the ability of each city to accommodate their "fair share" of the region's needs.

The State has assigned AMBAG the task of coordinating local housing programs and determining how much affordable housing each jurisdiction should provide. This allocation is

updated every five years. The Gonzales Housing Element accommodates the fair share allocation assigned by AMBAG for 2000-2007. The City has until 2007 to reach these targets.

Other Elements of the Gonzales General Plan. The General Plan promotes a balance between jobs and housing, maintenance of a small town environment, revitalization of downtown Gonzales, and clear boundaries between development and agriculture. Through a variety of planning policies and programs, the City hopes to maintain its agricultural industrial base, its low-density character, and its personalized, responsive city services. Central themes of the plan also include enhancement of parks and natural resources.

As required by State law, the Housing Element has been written so that it is internally consistent with the policies and programs in the other Elements of the General Plan. For instance, where the Housing Element identifies a need for new single-family units, the Land Use Element identifies land for those units and the Circulation Element identifies the road improvements needed to allow development of that land. In the future, if any Element is revised or amended, the other Elements must also be revised or amended so they remain internally consistent.

Zoning and Subdivision Ordinance. The zoning and subdivision ordinances are two of the primary tools for implementing this Element. The Action Program recommends several revisions to both ordinances to make them consistent with this Element's goals and policies.

4. Public Participation

Broad community participation is essential when preparing a Housing Element. Public input is required to identify housing issues and to determine the most appropriate and acceptable way to resolve these issues. The City Council approved the formation of a Housing Element Subcommittee consisting of two City Council members and two Planning Commissioners.

Two public workshops were held prior to release of the Draft Housing Element for review by the State Department of Housing and Community Development (HCD). These workshops provided a chance to consider alternative housing policies and evaluate areas suitable for various types of housing development. The workshops and hearings were publicly advertised in the local newspaper and were covered by the local media. Flyers announcing the workshops were also posted in various locations throughout the City, including the post office, library, City Hall and the laundromat, in order to reach persons and entities representing lower-income households, farmworkers, and persons and families with special needs. City Council hearings will be televised live on the local public access channel, informing home viewers of the options being considered. Further Opportunities for public input will be provided during the adoption hearings before the Planning Commission and City Council.

The Draft Element was also circulated to other government agencies (AMBAG, Monterey County, etc.), nonprofit housing developers, members of the General Plan Citizens Advisory Committee, and representatives of special needs groups. Copies of the Plan were made available for public review at the Gonzales Public Library, with written comments invited.

Implementation of the Element will require a commitment from the public and private sectors. The community participation process will need to continue in the future, with cooperation between the City, the County, AMBAG, local residents, developers and builders, various social service agencies, and nonprofit housing providers.

5. Organization of the Element

The Gonzales Housing Element is organized into two major components. The first component addresses the City's housing needs; the second addresses the course of action to be taken to meet these needs. Because the Element has been specifically reviewed for its compliance with State housing law, it has been formatted to function as a freestanding document as well as a chapter of the General Plan.

Following this Introduction, data from the 2000 Census is presented to assess housing needs in the City. A number of factors are reviewed, including population growth, household type and size, age, ethnicity, income, employment, tenure, and overcrowding. Following that analysis, housing conditions in Gonzales are examined. This includes structure type, vacancy characteristics, housing condition, and housing value.

The Element then describes population projections based on AMBAG data, recent trends, and the availability of land to accommodate new growth. Governmental and non-governmental constraints to housing production are also described.

Following the analysis section, the Element evaluates the 1996 Housing Element and identifies where changes are needed. This is followed by goals, policies, and numerical objectives for meeting housing needs. The action program is presented next and prescribes specific short-term and on-going actions that will implement the policies.

The policy and program section of the Housing Element are organized into the following nine subheadings:

1. Provision of adequate sites
2. Housing opportunities for lower and moderate-income
3. Households
4. Conservation and improvement of existing housing
5. Protection of community character
6. Fair housing opportunities
7. Energy and water conservation
8. Reducing governmental constraints
9. Special needs populations
10. Monitoring and coordination

B. Community Profile

1. Population Trends

Table IV-1 illustrates growth in Gonzales during the last 50 years compared to other cities in Monterey County. Until the 1980s, Gonzales was one of the slower growing cities in the County. As shown in Table IV-2, during the 1980s and 1990s, other South County cities (Soledad, Greenfield and King City) grew rapidly, as did the newer communities around Monterey Bay such as Marina. Gonzales outpaced Soledad and King City during this period, achieving a growth rate only exceeded in Monterey County by Greenfield. The surge occurred as Gonzales became a viable housing choice for commuters traveling to jobs as far away as the Santa Clara Valley. Like other communities on the periphery of the San Francisco/Oakland/San Jose metropolitan area, Gonzales' growth during the 1980s and 1990s was fueled by the availability of affordable housing and interest in the more relaxed lifestyle of small towns. The trend shows no signs of reversing. Population estimates for the early 2000s indicate that the annual growth rate between 2000 and 2005 will remain at about four percent.

Table IV-1
POPULATION GROWTH IN GONZALES
AND MONTEREY COUNTY
1950 - 2000

Year	Locale	Population	#Change	%Change
1950	Gonzales	1,821	-	-
	County	130,498	-	-
1960	Gonzales	2,138	317	17.4
	County	198,351	67,853	52.0
1970	Gonzales	2,575	437	20.4
	County	247,450	49,099	24.8
1980	Gonzales	2,891	316	12.3
	County	289,861	42,411	17.1
1990	Gonzales	4,660	1,769	61.2
	County	355,662	65,801	22.7
2000	Gonzales	7,525	2,865	61.4
	County	401,762	46,100	13.0

Source: U.S. Census, 1950-2000

**Table IV-2
POPULATION TRENDS IN GONZALES
AND SURROUNDING COMMUNITIES**

Jurisdiction	1980	1990	2000	% Change 1980 - 1990	%Change 1990 - 2000
Gonzales	2,891	4,660	7,525	61.2	61.5
Soledad	5,928	7,146	11,263	20.5	57.6
Greenfield	4,181	7,464	12,583	78.5	68.6
Salinas*	80,479	108,777	143,776	35.2	32.2
Marina*	20,647	26,436	21,014	28	-20.5
King City	5,495	7,634	11,094	40.8	45.3
Seaside	36,567	38,901	31,696	6.4	-18.5
Monterey	27,558	31,954	29,674	16.0	-7.1
Pacific Grove	15,755	16,117	15,522	2.3	-3.7
Monterey County	289,861	355,662	390,391	22.7	11.7
Santa Cruz County	188,141	229,734	255,602	22.1	11.3

Source: U.S. Census, 1970-2000; DOF, 2000.

2. Demographic Characteristics

Household Type. Gonzales households contain a much higher proportion of "families" than the County or State. Gonzales households are also less likely to consist of single persons or unrelated individuals than the County or State.

As Table IV-3 shows, nearly half of the households in Gonzales consist of a married couple with related children living at home, compared to just 27 percent statewide. Gonzales also has a higher incidence of single parent households than the County or State. About 13 percent of all City households are in this category, compared to 9 percent countywide and statewide. Single parent households often have special needs, such as day care, which reduce the amount of income available for housing. Only 11 percent of the City's households are composed of unrelated individuals living together compared to 27 percent countywide.

Table IV-3
HOUSEHOLD TYPE AND PRESENCE OF CHILDREN, 2000

HOUSEHOLDS BY TYPE	Gonzales		Monterey County		California	
	Number of Households	Percent of Total	Number of Households	Percent of Total	Number of Households	Percent of Total
Total households	1,695	100	121,236	100	11,502,870	100
Family households (families)	1,502	88.6	87,931	72.5	7,920,049	68.9
Married-couple family	1,152	68	67,843	56.0	5,877,084	51.1
With own children under 18 years	815	48.1	35,931	29.6	2,989,974	26.0
Female householder, no husband	243	14.3	14,094	11.6	1,448,510	12.6
With own children under 18 years	167	9.8	8,342	6.9	834,716	7.3
Male householder, no wife present	52	3.0	5,705	4.7	535,345	4.6
With own children under 18 years	163	9.6	3,516	2.9	296,879	2.6
Non-family households	193	11.4	33,305	27.5	3,582,821	31.1
Householder living alone	157	9.3	25,748	21.2	1,802,076	15.6
Householder 65 +	68	4	9,988	8.2	2,173,596	18.9
Households with individuals > 18	1,163	68.6	52,697	43.5	4,569,910	39.7
Households with individuals 65+	322	19	28,994	23.9	2,570,170	22.3
Average household size	4.42	(X)	3.14	(X)	2.87	(X)
Average family size	4.61	(X)	3.65	(X)	3.43	(X)

Source. U.S. Census 2000

Age. As one might expect from the unusually large number of family households in the City, there are also a large number of children. Table IV-4 indicates that Gonzales' population is significantly younger than Monterey County's. Some 42 percent of the City's residents are under 19, compared to 31 percent in the County as a whole. As these children mature, they may have a significant impact on local housing needs, creating a demand for affordable rental units.

Table IV-4
AGE DISTRIBUTION OF GONZALES AND MONTEREY COUNTY POPULATION, 2000

Age	Gonzales		Monterey County	
	Number	Percent	Number	Percent
Under 5 years	775	10.3	31,248	7.8
5 to 9 years	830	11	33,468	8.3
10 to 14 years	784	10.4	31,140	7.8
15 to 19 years	770	10.2	30,933	7.7
20 to 24 years	669	8.9	30,982	7.7
25 to 34 years	1,211	16.1	64,023	15.9
35 to 44 years	1,097	14.6	61,978	15.4
45 to 54 years	646	8.6	49,251	12.3
55 to 59 years	186	2.5	16,125	4.0
60 to 64 years	126	1.7	12,315	3.1
65 to 74 years	236	3.1	21,373	5.3
75 to 84 years	149	2	14,227	3.5
85 years and over	46	0.6	4,669	1.2
Median age (years)	24.5	(X)	31.7	

Source. U.S. Census 2000

Ethnicity. The racial and ethnic composition of Gonzales' residents is shown in Table IV-5. About 86 percent of the City's residents are of Hispanic origin, compared to 47 percent countywide. About 35 percent of Gonzales' population is white, compared to 56 percent countywide. Just less than one percent of the City's residents are black, compared to four percent in the County; about two percent are of Asian or Pacific Island descent, compared to six percent countywide.

Table IV-5
RACIAL AND ETHNIC DISTRIBUTION OF GONZALES AND MONTEREY COUNTY POPULATION, 2000

Race	Gonzales		Monterey County	
One race	7,163	95.2	381,750	95.0
White	2,617	34.8	224,682	55.9
Black or African American	60	0.8	15,050	3.7
American Indian and Alaska Native	106	1.4	4,202	1.0
Asian	154	2	24,245	6.0
Native Hawaiian and Other Pacific Islander	13	0.2	1,789	.4
Hispanic or Latino	6,474	86.0	187,969	46.8

Source. 2000 Census; DOF (2000).

3. Household Size

The 2000 Census reported that the average household size in Gonzales was 4.35, compared to 3.31 in the County and 2.94 in the State. This may be the single most telling indicator of Gonzales' housing needs. The City's average household size is among the largest of any community in California. At the other end of the scale, Table IV-6 shows that only 2 percent of Gonzales' households contained one person, roughly one quarter the State average. Average household size in Gonzales increased six percent during the 1990s, from 4.09 to 4.35, compared to an increase of 11 percent in the County and five percent in the State.

The State Department of Finance (DOF) reports that household size has continued to rise. DOF data indicates that Gonzales' average household size has climbed to 4.41 in 2002.

**Table IV-6
HOUSEHOLD SIZE, GONZALES, MONTEREY COUNTY
AND CALIFORNIA, 2000**

	California		Monterey County, California		Gonzales city, California	
	Number	Percent	Number	Percent	Number	Percent
Total:	11,512,020	33.99%	121,199	30.17%	1,730	22.99%
Family households:	7,985,489	23.58%	88,539	22.04%	1,542	20.49%
2-person household	2,730,738	8.06%	28,965	7.21%	191	2.54%
3-person household	1,724,381	5.09%	17,829	4.44%	253	3.36%
4-person household	1,676,453	4.95%	17,059	4.25%	344	4.57%
5-person household	931,051	2.75%	10,580	2.63%	301	4.00%
6-person household	476,989	1.41%	5,996	1.49%	148	1.97%
7-or-more-person household	445,877	1.32%	8,110	2.02%	305	4.05%
Non-family households:	3,526,531	10.41%	32,660	8.13%	188	2.50%
1-person household	2,704,587	7.98%	25,665	6.39%	159	2.11%
2-person household	655,000	1.93%	5,833	1.45%	17	0.23%
3-person household	107,099	0.32%	735	0.18%	12	0.16%
4-person household	39,089	0.12%	224	0.06%	0	0.00%
5-person household	11,648	0.03%	88	0.02%	0	0.00%
6-person household	5,314	0.02%	50	0.01%	0	0.00%
7-or-more-person household	3,794	0.01%			0	0.00%

Source. U.S. Census 2000

4. Income

Income Trends. Gonzales has a median income that is lower than the cities to the north around Monterey Bay, but higher than the Salinas Valley cities of Greenfield and Soledad to the south. Both household and per capita income have grown at a slower pace in Gonzales than in the rest of Monterey County.

In 1999, median *household income* in the City was \$25,458, compared to \$33,520 in the County and \$35,798 in the State. By 2000, median income had increased to \$41,582 in Gonzales, \$48,305 in the County, and \$47,493 in the State. Income in the City grew by 63 percent during the 1990s, a higher growth rate than that of the County (44 percent) and the State (32 percent).

Table IV-7 indicates that Gonzales is catching up to the rest of the County in terms of household income. In 2000, only six percent of the City's households earned less than \$10,000 a year. About 37 percent of the City's households earned more than \$50,000 annually, compared to 14 percent in 1990. Comparably, 6.4 percent of the County's household earned less than \$10,000 a year in 2000, and nearly one-half earned more than \$50,000 a year.

Table IV-7
2000 INCOME DISTRIBUTION OF GONZALES AND
MONTEREY COUNTY HOUSEHOLDS

	Gonzales		Monterey County	
	Number	Percent	Number	Percent
Households	1,730	100	121,199	100.0
Less than \$10,000	104	6	7,700	6.4
\$10,000 to \$14,999	41	2.4	5,995	4.9
\$15,000 to \$24,999	253	14.6	13,597	11.2
\$25,000 to \$34,999	281	16.2	14,599	12.0
\$35,000 to \$49,999	401	23.2	20,973	17.3
\$50,000 to \$74,999	339	19.6	25,391	20.9
\$75,000 to \$99,999	164	9.5	14,469	11.9
\$100,000 to \$149,999	108	6.2	11,872	9.8
\$150,000 to \$199,999	21	1.2	2,967	2.4
\$200,000 or more	18	1	3,636	3.0
Median household income (dollars)	41,582	(X)	48,305	(X)

Source. U.S. Census 2000

Table IV-8 indicates poverty status in Gonzales. In 2000, about 20 percent of all Gonzales residents were below the poverty level. The incidence of poverty was highest for children, particularly those in single parent households. Nearly three in four children in single parent households lived below the poverty level, four times the rate for children in married couple households. The incidence of poverty was relatively low for senior citizens, with less than 11 percent living below the poverty level. By contrast, in Monterey County as a whole, only about 13.5 percent of the residents were below the poverty level in 1999 and only 23 percent of the children in single parent households lived below the poverty level.

Table IV-8
POVERTY STATUS IN GONZALES AND MONTEREY COUNTY, 2000

	Number	Percent
Families	232	15
With related children under 18 years	225	18.4
With related children under 5 years	91	14.4
Families with female householder, no husband present	86	33
With related children under 18 years	86	40
With related children under 5 years	40	40
Individuals	1,556	20.2
18 years and over	753	15.9
65 years and over	43	11.5
Related children under 18 years	788	26.6
Related children 5 to 17 years	662	30.2
Unrelated individuals 15 years and over	222	39.6

Source. U.S. Census 2000

Per capita income growth between 1990 and 2000 for selected Monterey County cities is shown in Table IV-9. The table indicates that per capita income in Gonzales grew at a slower pace than other cities in the County and that the gap between the City's per capita income and the County's widened over the period. The findings do not necessarily mean that Gonzales residents have lower incomes than those of "average" County residents. The large number of dependents in a typical Gonzales household produces lower per capita income figures. The three or four children in a "typical" Gonzales household also mean that more money must be set aside for food, clothing, health care, etc. leaving less remaining for housing.

Table IV-9
INCOME GROWTH: 1990-2000, GONZALES AND NEARBY CITIES

	Median Per Capita Income						1990-2000 Growth
	1999	1991	1993	1995	1997	2000	
Gonzales	5,322	6,254	6,403	7,064	7,344	7,834	47.2
Soledad	4,220	4,939	5,229	5,773	6,250	6,889	63.2
Salinas	6,795	7,805	8,172	8,852	9,390	11,351	67.0
Greenfield	4,620	5,356	5,452	5,689	6,275	7,710	66.9
King City	6,400	7,421	7,632	8,405	8,721	111,641	81.9
Seaside	5,546	6,523	7,019	7,950	8,466	10,409	87.7
Marina	5,687	6,630	7,019	7,747	1 8,377	11,338	99.4
Pacific Grove	8,562	10,491	11,376	12,704	14,023	19,5331	128.1
Carmel	13,408	115,813	16,726	18,178	18,973	26,575	98.2
COUNTY	7,495	8,782	9,312	10,420	11,220	14,578	94.5

Source: AMBAG, 2002 Regional Housing Needs Study;

Income Spread. Most housing assistance programs are targeted at households meeting specific income criteria. The State Department of Housing and Community Development (HCD) defines "very low" income households as having less than 50 percent of the area median income, "low" income as less than 80 percent, and "moderate" income as between 80 and 120 percent. The definitions are further refined to reflect the size of the household, since households of different sizes have different spending capacities. Table IV-10 shows the income limits of each category for Monterey County as of January 2002. To qualify as low-income, a family of four in Monterey County would need to earn less than 80 percent of the median income of \$53,800, or \$43,050.

Table IV-10
UPPER LIMITS FOR INCOME BRACKETS IN MONTEREY COUNTY
APRIL, 1993

		NUMBER OF PERSONS IN FAMILY							
Monterey Area median \$53,800	Standard	1	2	3	4	5	6	7	8
	Very low-income	18,850	21,500	24,200	26,900	29,050	31,200	33,350	35,500
	Lower income	30,150	34,450	38,750	43,050	46,500	49,950	53,350	56,800
	Median income	37,650	43,050	48,400	53,800	58,100	62,400	66,700	71,000
	Moderate-income ¹	45,200	51,650	58,100	64,550	69,700	74,900	80,050	85,200

Source. State Department of Housing and Community Development, 2002.

Notes: (1) Persons earning above the upper limit for Moderate-income households are classified as "Above Moderate" Income.

The percentage of Gonzales households classified as "very low," "low," "moderate," and "above-moderate" income in 1990 and 2000 is given in Table IV-11, along with the income brackets that defined each category. In 1990, some 53 percent of all Gonzales households were classified as low- or very low-income. By 2000, the proportion had risen to slightly to 54 percent, with diminishing proportions in the "very low" income category and an increasing proportion in the "low" income category. This has significant housing implications, since very low-income households are usually the least able to afford safe, decent shelter.

Countywide, only 38 percent of all households were classified as low or very low-income in 2000. This percentage lowered to 22.5 percent during the 1990s, indicating that Gonzales has a greater share of the region's lower income population now than it did a decade ago.

Table IV-11
HOUSEHOLD INCOME, GONZALES: 1990 and 2000

Income Category	Percent of Median	Income Ranges (1999)	% of Gonzales Households in range (2000)	Income Range (2000)	Estimated # of Households in range (2000)	% of Gonzales Households in range (2000)
Very Low	Below 50%	\$0-\$16,760	33	\$0-\$26,900	398	23
Low	50-80%	\$16,761-\$26,816	20	\$26,900-\$43,050	546	31
Moderate	80-120%	\$26,817-\$40,224	21	\$43,050-\$69,700	475	27
Above Moderate	120+%	\$40,224+	26	\$69,700+	311	18

Source. U.S. Census 2000, State HCD, 1996 Gonzales Housing Element

Notes: (1) Number of households in each income group for 2000 based on interpolation of 2000 Census data.

Housing Affordability. About 35 percent of all owner households and 37 percent of all renter households in Gonzales paid more than 30 percent of their income for housing in 2000. Such households are described as "overpaying" for housing by the State of California.

As one might expect, the problem is most severe for lower income households. Among households with annual incomes less than \$20,000, 80 percent pay more than 30 percent of their income on rent. A comparison of 1990 and 2000 statistics show that overpayment for owner households compared to renter households evened out during the 1990s, as housing inflation slowed and income growth stayed about the same. Between 1990 and 2000, median home values in Gonzales increased by 23 percent, and rents increased by 41 percent. Household income grew by 63 percent during the same period. Table IV-12 illustrates that the percentage of lower income households paying 30 percent of their income for housing decreased from 60 percent to 39 percent between 1990 and 2000.

Higher rents and home prices make entry into the housing market difficult for many lower income households and even impossible for very low-income households. For renters, the initial move-in costs (first and last month's rent, security deposit, etc.) may require substantial savings, and the monthly rent and utilities may exceed the household's budget for shelter. For would-be owners, a 10 or 20 percent down payment can be even more formidable, while monthly mortgage payments are often prohibitively expensive due to high prices and interest rates.

Table IV-12 states that 39 percent of all Gonzales households were overpaying for housing in 2000, down from 60 percent in 1990.

Table IV-12
HOUSING OVERPAYMENT, GONZALES: 1990 AND 2000

	1990	2000
Total Number of Households	1,170	1,730
# of Lower Income Households	618	944
Lower income HH as % of all HH	53%	54.5%
Lower income renter HH overpaying	291	253
Lower income owner HH overpaying	81	339
% of all lower income HH overpaying	60%	39%

Indicators of Overpayment in Gonzales since 1990	1990*	2000**	Percent Increase
Gonzales Median Home Price***	123,700	163,400	24
Gonzales Median Rent	479	676	41
Gonzales Median Income	\$25,458	\$41,582	63

Source. 1996 Gonzales Housing Element; U.S. Census 2000.

5. Employment

While agriculture is still the mainstay of Gonzales' economy, a growing number of residents are employed in nonagricultural jobs outside of the City. Recent housing demand has been fueled by high housing costs in nearby job centers rather than local job creation.

Table IV-13 presents a profile of Gonzales' labor market in 1990 and 2000. In 1990, there were 1,646 employed persons in Gonzales. By 2000, the figure had risen 71 percent, to 2,813. More than 23 percent were employed in agricultural activities, including agriculturally related industries and services. Agriculture remained the mainstay of the City's economic base through the 1990s, though the percentage of residents employed in this sector dropped from 40 percent since 1990. Fields in the vicinity of Gonzales support lettuce, strawberries, broccoli, asparagus, nursery crops, wine grapes, and seed crops, among others. The City is home to a major winery and to several vegetable processing, packing, and shipping facilities.

Table IV-13
EMPLOYMENT OF GONZALES RESIDENTS, 1990 and 2000

	Employment 1990	Percent	Employment 2000	Percent
Total	1,646	100.0	2,813	100.0
Agriculture, forestry, fishing, hunting, and mining	673	40.9	655	23.3
Construction	37	2.2	89	3.2
Manufacturing	113	6.9	178	6.3
Wholesale trade	138	8.4	419	14.9
Retail trade	124	7.5	287	10.2
Transportation and warehousing, and utilities	34	2.0	169	6
Information	27	1.6	25	0.9
Finance, insurance, real estate, and rental and leasing	59	3.6	114	4.1
Professional, scientific, management, administrative, and waste management services	41	2.5	139	4.9
Educational, health and social services	114	7.0	346	12.3
Arts, entertainment, recreation, accommodation and food services	41	2.5	128	4.6
Other services (except public administration)	12	0.7	100	3.6
Public administration	151	9.2	164	5.8

Source. U.S. Census 2000

About 24 percent of Gonzales' residents are employed in wholesale or retail trade, up from 16 percent in 1990. Local employment in wholesale trade appears to have grown much faster than retail trade during the 1990s. About 18 percent of Gonzales' residents are employed in public administration or education, up from 16 percent in 1990. Manufacturing dropped to just over six percent of the City's residents.

Unemployment in Monterey County is typically much higher than the statewide average, due to the seasonal nature of agriculture and tourist employment. The 2000 Census indicated there were 279 unemployed men and 275 unemployed women in Gonzales' labor force, for an unemployment rate of 11 percent.

6. Tenure

Table IV-14 indicates housing tenure (renter vs. owner) in Gonzales. About 41 percent of the City's households are renters, compared to a County average of 49 percent and a State average of 43 percent. The City's renter-owner ratio was reversed between 1990 and 2000. In 1990, 47 percent of the City's households were owners and 53 percent were renters. The increase in single-family homes over the past decade may have influenced this switch. About half of the renter heads of household were under 34, while 80 percent of the owner heads of household were over 34.

Nearly all of the owner-occupied units were single-family detached homes (97 percent). By contrast, 34 percent of the rented units were single-family detached homes, and 22 percent were in apartment buildings with more than 20 units.

Table IV-14
HOUSING CHARACTERISTICS BY TENURE, 2000
GONZALES AND MONTEREY COUNTY

	Gonzales		Monterey County	
	Number	Percent	Number	Percent
Occupied housing units	1,695	100	121,236	100
Owner-occupied housing units	991	58.5	66,213	54.6
Renter-occupied housing units	704	41.5	55,023	45.4

Average Household Size	Gonzales	Monterey County
All Households	4.3	3.14
Renters	4.72	3.18
Owners	4.21	3.10

Persons Per Room	Gonzales	Monterey County
Total:	1,704	121,236
Owner occupied:	1,022	66,266
0.50 or less occupants per room	304	40,384
0.51 to 1.00 occupants per room	363	16,885
1.01 to 1.50 occupants per room	145	3,522
1.51 to 2.00 occupants per room	130	2,897
2.01 or more occupants per room	80	2,578
Renter occupied:	682	54,970
0.50 or less occupants per room	129	20,903
0.51 to 1.00 occupants per room	174	18,129
1.01 to 1.50 occupants per room	151	5,168
1.51 to 2.00 occupants per room	88	4,585
2.01 or more occupants per room	140	6,185

Source. U.S. Census 2000

Overcrowding. Housing conditions in Gonzales are among the most crowded in Monterey County. The average household size is 37 percent larger in Gonzales than in the County as a whole. The situation is most severe for Gonzales renters. Their average household size for renters is 4.72 (compared to 3.18 countywide). Families with three or four children routinely occupy one and two bedroom apartments in the City. In other cases, unrelated families might "double up" to reduce housing costs. While some of the conditions may be attributable to

cultural preferences, much must be attributed to the shortage of affordable units for large families, especially renters.

Overcrowding occurs when a household's living area is too small to meet the needs of the household. The Census defines overcrowded units as having more than one person per room (excluding bathrooms) and severely overcrowded units as having more than two persons per room. Using this definition, 56 percent of the City's renter households are overcrowded (compared to 22 percent in the County and 20 percent in the State) and 29 percent of the City's owner households are overcrowded (compared to 9 percent in the County and 6 percent in the State). Severe overcrowding affects 22 percent of all Gonzales renter households (compared to 7 percent in the County and 6 percent in the State) and 5 percent of its owner households (compared to less than 2 percent in the County and State).

Overcrowding has increased significantly since 1990, rising from 22 percent of all Gonzales households to 43 percent. The 1996 Gonzales Housing Element attributed the trend to the shift in the Salinas Valley economy from seasonal and migrant farming to permanent year-around farming. An increasing number of farmworker families have permanently relocated to the valley, sometimes occupying housing units intended for single workers.

7. Special Needs

Gonzales has a number of groups with "special housing needs," including large lower-income families, seniors, single mothers, disabled persons, and farmworkers. The private market alone cannot effectively meet the housing needs of these groups.

Large Households. Large households (six or more) comprise 26 percent of the City's total. As the previous section of this chapter pointed out, such households may have a difficult time finding large, affordable units and may consequently end up in overcrowded conditions.

The number of rental units suitable for large families is limited; there were 335 single-family homes being rented out in 2000, compared to 294 apartments or trailers. Although the apartments were typically much smaller than the single-family homes, usually with only one or two bedrooms, they contained a higher number of persons per unit. Single-family rental homes averaged 3.9 persons per dwelling, while apartments in complexes of 10 units or more averaged 5.8 persons per dwelling. The statistics indicate a significant immediate need for three, four, and five bedroom rental apartments or homes.

Senior Citizens. The special housing needs of seniors include stable, affordably priced housing and proximity to services and health care. In addition, seniors may require ramps, handrails, lower cupboards, and other physical attributes that are not available in conventional homes. Many seniors may be on fixed incomes and may not be able to afford market rate rents. For those who are homeowners, many may not be able to pay for on-going home maintenance.

Seniors comprised six percent (431 persons) of Gonzales' population in 2000. The incidence of poverty is relatively low among this population, with just 43 persons below the poverty level. There is presently one development in Gonzales (Casa de Oro) which provides affordable rental housing for senior citizens. The project contains 20 publicly assisted units. While publicly assisted housing for seniors does not appear to be a significant immediate need, there is a long-term need for additional affordable units.

There may also be a need for financial assistance for elderly homeowners living in deteriorating units. There were 160 homes in Gonzales owned by seniors in 2000, representing 15.6 percent of all owner-occupied housing in the City. Many of these homes were among the oldest in the City and the most likely to be in need of rehabilitation. Elderly owners may be the least equipped to make home repairs, given their limited incomes and other expenses.

Single Mothers. Single mother households comprise 9.6 percent of the City's households. Their income is typically lower than that of male-headed households and their ability to work may be constrained by daycare responsibilities and costs. They are often unable to afford suitable housing and may live in rental units that are too small for their families.

As mentioned earlier in this chapter, 53 percent of the families with children in single mother households in Gonzales fall below the poverty level. Approximately 60 percent of the single parent households with poverty status receive some sort of public assistance income. The statistics indicate a compelling need for housing assistance for very low-income single parents, accompanied by day care and other social services.

Farmworkers. Farmworker households may be ill-equipped to find housing in the City due to very low-incomes, the inability to speak English, and possible discrimination. Farmworker housing exists throughout the Salinas Valley and two camps exist in the City of Gonzales as well as in the unincorporated areas on the City's periphery. Countywide there is an estimated 6,145 farmworker households and 1,099 migrant farmworkers. Their accommodations include rooming houses, shared living quarters, bunkhouses or similar quarters maintained on farms, and labor camps. In Gonzales, the 2000 Census identified 107 persons as living in "non-institutionalized group quarters." It is assumed these were persons in migrant farmworker housing.

As agriculture in the Salinas Valley shifted from seasonal to year-round activities during the 1950s and 1960s and an increasing number of farmworkers were unionized, migrant quarters were often converted to year around quarters, and single male occupants were replaced by families. The increased occupancy and use of the quarters often caused conditions to deteriorate. Since the early 1970s, efforts have been underway to improve farmworker housing conditions throughout Monterey County. Unfortunately, conditions in the County have not universally improved. In some instances, they have become worse.

Farmworkers are likely to remain an important part of Gonzales' economic base, and their housing needs are not expected to lessen during the coming years. Housing for both farmworker families and for transient farmworkers is needed in the Gonzales vicinity.

Disabled. The 2000 Census data indicates that 530 Gonzales adults (persons 16 or older) had "mobility" or "self-care limitations," including 434 residents with "mobility" limitations only, 97 residents with "self-care" limitations only. Although disabled adults represent a small percentage of Gonzales residents (about 7 percent), they may require housing and specialized social services that are not readily available in Gonzales. In addition, many disabled persons may be unable to work due to their disability and may have very low-incomes.

Like the elderly, disabled persons may require housing with particular physical features, such as ramps, and locational features, such as proximity to stores and other services. Although the Casa de Oro Apartments are open to disabled households, they primarily serve elderly households. Additional assisted housing for disabled persons would be desirable.

Homelessness. While homelessness is not a visible problem in the City, the lack of affordable units may have created a significant group of people who have doubled up, are living at home, or are staying with friends because they lack the resources to rent a suitable unit. The City does not have emergency shelters; those in need must travel to Salinas or elsewhere in the County to find homeless services. The Gonzales Police Department provides assistance for homeless persons needing shelter and social services in Salinas. The City also works with local churches and with the Salvation Army in assisting families in need.

C. Housing Characteristics

1. Structure Type

Table IV-15 illustrates the composition of Gonzales' housing stock in 1990 and 2000. Over the past decade, the City has added 516 housing units. In 2000, the City contained 1,738 housing units, a 42 percent increase over 1990. About 78 percent of the units were single-family homes, including 1,227 detached units and 129 attached units. Over nine percent of the City's housing was in buildings of 2-4 units, and about 9.8 percent was in buildings of five units or more. Mobile homes made up less than 3 percent of the housing stock.

Table IV-15
HOUSING UNITS BY STRUCTURE TYPE, GONZALES: 1990-2000

Housing Characteristics	1990	Percent of Total	2000	Percent of Total
Total housing units	1,222	100	1,738	100
1-unit, detached	784	64.2	1,227	70.6
1-unit, attached	55	4.5	129	7.4
2 - 4 units	134	11	164	9.4
5 + units	214	17.5	170	9.8
Mobile home	26	2.1	42	2.4
Boat, RV, van, etc.	9	.7	0	0

Source. U.S. Census 2000

Table VI-16
HOUSING UNIT PROFILE: GONZALES AND NEARBY JURISDICTIONS, 2000

Jurisdiction	Single Family Detached	Single Family Attached	Single-family as Percent of all Dwelling Units	2 - 4 Plex	5+ Plex	Multi-Family as Percent of all Dwelling Units	Mobile Homes/ Trailers	Other	Total
Gonzales	1,227	129	78	170	170	19.5	42	0	1,738
Soledad	1,687	206	74.4	316	211	21	123	0	2,543
Salinas	20,966	3,435	61.6	3,450	10,496	35	1,248	17	39,612
Greenfield	1,839	282	78	274	247	19	76	9	2,727
King City	1,575	281	65	287	420	25	292	0	2,855
COUNTY	79,405	12,346	69.6	11,822	22,492	26	5,454	189	131,708

Source. U.S. Census 2000

**Table IV-17
VACANCY CHARACTERISTICS, 1990**

	Gonzales		Monterey County	
	Number	Percent	Number	Percent
Vacant housing units	29	100	10,472	100
For rent	1	3.4	1,711	16.3
For sale only	5	17.2	3,261	31.1
Rented or sold, not occupied	1	3.4	393	3.8
For seasonal, recreational, or occasional use	5	17.2	4,180	39.9
For migratory workers	0	0	79	0.8
Other vacant	17	58.6	848	8.1

Source. U.S. Census 2000

3. Housing Conditions

There are a substantial number of units in Gonzales that may require rehabilitation. About 18 percent of the City's housing stock is more than 50 years old and a portion of these units may need to be replaced during the next decade.

One of the key factors affecting the condition of housing is the age of the housing stock. As Table IV-18 indicates, about 34 percent of the City's housing stock was built during the 1990s. Another 21.2 percent was built during the 1970s. These units are the least likely to have structural problems.

**Table IV-18
AGE OF HOUSING, 2000**

Year Structure Built	Number	Percent
1999 to March 2000	107	6.2
1995 to 1998	279	16.1
1990 to 1994	222	12.8
1980 to 1989	369	21.2
1970 to 1979	272	15.7
1960 to 1969	178	10.2
1940 to 1959	203	11.7
1939 or earlier	108	6.2

Source. U.S. Census 2000

A Housing Conditions survey done by the City in 1979 indicates that about 15 percent of the City's housing stock was substandard and 10 percent was suitable for rehabilitation. The Association of Monterey Bay Area Governments (AMBAG) further estimated that 14 percent of the City's housing stock was in need of repair in 1979. Indicators of housing condition from the 2000 Census are presented in Table IV-19. Three percent of the units lacked complete indoor plumbing or kitchen facilities and 2.6 percent of the units lacked gas or electric heat. No further data on housing condition is available. As stated in Program 3.4, the City will pursue CDBG or similar funding to update its 1979 survey.

**Table IV-19
HEATING, COOLING AND PLUMBING, 2000**

	Number	Percent
Occupied housing units	1,704	100
Without Utility Gas and Electric	45	2.6
Lacking complete plumbing facilities	25	1.5
Lacking complete kitchen facilities	25	1.5

Source: U.S. Census 2000

4. Housing Value

The median rent in Gonzales increased 23 percent. A yearly income of about \$24,000 is needed to rent the median-priced rental unit without overpaying. In 2000, the median home value for Gonzales was \$163,400, an increase of 32 percent from the 1990 figure of \$123,700. Inflation has actually slowed during the 1990s compared to the 1980s. Between 1980 and 1990, average home prices and rents in the City rose 100 percent.

Housing is less expensive in Gonzales than in the County as a whole. Table IV-20 shows the median home value and rent in Gonzales compared to Monterey County. The median home value in the City was 62 percent of the County median, and the City median rent was 22 percent of the County median. Lower home prices in Gonzales are one reason the City grew so rapidly during the 1990s and early 2000. In 2002, brand new homes in the City's most recent subdivision, Canyon Creek, sold for \$312,000 to \$333,000, about one-third the price of comparable new homes on the Monterey Peninsula.

**Table IV-20
MEDIAN HOME VALUE AND RENT, 2000**

Home Value	Gonzales	Monterey County
Median value	163,500	254,800
Median contract rent	676	776

Source: U.S. Census 2000

D. Housing Needs

1. Population Projections

AMBAG Projections. Regional housing projections are made by the Association of Monterey Bay Area Governments (AMBAG) based on data obtained from local jurisdictions in the region and the State of California. Regional population growth is projected based on a number of factors, including employment, birth rates, death rates, and migration trends. Part of the forecast process requires the local jurisdictions to submit project-specific development plans and local development policies to AMBAG. AMBAG uses this information to allocate projected growth around the region.

Table IV-21 shows projections for Gonzales and other Monterey County cities based on 2000 AMBAG figures. Annual growth rates are shown in Table IV-22. The table indicates that Gonzales will grow at about the same rate from 2000 to 2015.

**Table IV-21
POPULATION FORECASTS FOR SELECTED
MONTEREY COUNTY CITIES**

Jurisdiction	2000	2005*	2010*	2015*	2020*
Gonzales	8,265	9,051	10,313	11,570	12,562
Soledad	10,233	17,342	18,138	18,919	20,086
Salinas	130,196	143,802	155,873	161,686	170,059
Greenfield	10,810	14,564	15,147	15,600	16,467
King City	11,600	13,061	16,524	19,834	24,598
Seaside	29,832	34,624	39,078	42,435	45,791
Marina	20,618	27,941	34,026	42,467	46,607
Monterey	30,130	31,017	31,530	32,101	33,148
Monterey Co. Total	384,657	418,713	455,562	486,669	519,609

**Adjusted by the AMBAG Board 11/14/01 and 1/19/02*

**Table IV-22
RATE OF ANNUAL POPULATION CHANGE PROJECTED FOR SELECTED MONTEREY
COUNTY CITIES**

Jurisdiction	2000-2005	2005-2010*	2010-2015*	2015-2020*
Gonzales	9.5	13.9	12.2	8.6
Soledad	69.5	4.6	4.3	6.2
Salinas	10.5	8.4	3.7	5.2
Greenfield	34.7	4.0	3.0	5.6
King City	12.6	26.5	20.0	24.0
Seaside	16.1	12.9	8.6	7.9
Marina	35.5	21.8	24.8	9.7
Monterey	2.9	1.7	1.8	3.3
Monterey Co. Total	8.9	8.8	6.8	6.8

**Adjusted by the AMBAG Board 11/14/01 and 1/19/02*

2. Estimated "Fair Share" Needs

Section 65583 (a)(1) of the State Government Code requires the Housing Element to identify the City's share of the regional housing need as determined by the regional Council of Governments. AMBAG's Regional Housing Needs Plan, updated every five years, attempts to equitably allocate the responsibility for housing the region's lower income households. In theory, the process avoids concentrating lower income groups in particular parts of the region.

Table IV-23 reflects the City's current regional share allocation. The table indicates a need for 429 units between January 1, 2000 and July 1, 2007. The unit composition includes 96 units for very low-income households, 72 units for low-income households, 102 units for moderate-income households, and 159 units for above moderate-income households.

Table IV-23
AMBAG REGIONAL SHARE ALLOCATION FOR GONZALES:
1/1/00 - 7/1/07 (New Construction Need in Units)

Household Income Group	New Construction Need
Very Low-income	96
Low-income	72
Moderate-income	102
Above Moderate-income	159
Total	429

Source. Association of Monterey Bay Area Governments, 2002.

Table IV-24 illustrates the City's progress towards meeting these targets between January 1, 2000 and December 31, 2001. This time period represents about one-third of the seven-year period covered by the AMBAG projections. There were 127 units constructed, including 119 single-family detached units and eight units in duplex, triplex, or fourplex buildings. This represents 30 percent of the total housing target for the January 1, 2000 to July 1, 2007 period.

Table IV-24
HOUSING CONSTRUCTION BY TYPE: 1/1/00 - 12/31/01

Year	Single-Family	Multi-family	Total
2000	72		72
2001	47	8	55
TOTAL	119	8	127

Source. City of Gonzales, 2002.

Eight of the 55 units permitted in 2001 are affordable to low or very low-income households. The balance of the single-family homes were market rate and were affordable to moderate and above moderate-income households. Table IV-25 shows the balance of housing units needed to meet the AMBAG fair share target during January 1, 2002 - July 1, 2007

Table IV-25
HOUSING UNITS NEEDED TO MEET FAIR SHARE TARGET
1/1/02 - 7/1/07 (Revised New Construction Need in Units)

Household Income Group	Amount Added 2000 – 2001	New Construction Need
Very Low-income		96
Low-income	8	64
Moderate-income		102
Above Moderate-income	119	40
Total	127	302

Source: Association of Monterey Bay Area Governments, 2002.

Table IV-25 Assumptions: The allocation of 2000 - 2001 units to each income category is based on the following assumptions:

1. All duplex, triplex, and fourplex units have been allocated to the "low" income bracket. New apartments are renting for \$800 - \$900. "Affordable" rent for a low-income household in Gonzales is estimated to be \$947. Very low-income households could not afford to rent one of the new units without spending more than 30 percent of their income on housing.
2. The 119 single-family units have been allocated to above moderate-income housing because the selling price will likely range from \$300,000 to \$350,000.

The following paragraphs describe the prospects for meeting housing targets in each income category during the balance of the planning period:

Above Moderate-income Needs

Annual Income (family of four)

Monthly "affordable" housing cost (2.5 percent of income):

Price of an "affordable" home (313 percent of income):

Amount of "affordable" rent (2.2 percent of income):

40 units

Above \$64,550

\$1,613 and up

\$202,041 and up

\$1,420 and up

Prospects. Proposals for new residential projects are currently developing. Upon annexation of land within the City's Sphere of Influence (SOI) for residential development, the above-moderate income housing needs will be met.

Moderate-income Needs

Income (family of four)

Monthly "affordable" housing cost.

Price of an "affordable" home:

Amount of "affordable" rent:

102 units

Around \$53,800

About \$1,345

About \$168,394

About \$1,183

Prospects. Production of moderate-income housing has been slow during the last few years but may improve as additional land is zoned for residential development in accordance with the new General Plan. Currently, most moderate-income households seeking home ownership rely on the resale market, where average sales prices are \$30,000 to \$40,000 below new construction. Sales personnel at Canyon Creek indicated that new homes would range in price from \$313,000 - \$333,000, which would qualify for above moderate-income housing. New moderate-income housing could be built on the remaining infill lots in the City. Additional opportunities for moderate-income households would be desirable, either by expanding the inclusionary

requirement for single-family housing developments to include some moderate (as well as low) income housing, or by creating more opportunities for townhouse development.

Low-income Needs

Income (family of four)

Monthly "affordable" housing cost.

Price of an "affordable" home:

Amount of "affordable" rent.

64 units

Around \$43,050

About \$1,076

About \$134,746

About \$947

Prospects. Ownership of six low and very low-income household units and 36 low and very-low income rentals will soon be available in Canyon Creek. The City is currently processing an application for the rezoning and development of a 13-acre site for 74 residential units at the south end of town adjacent to the winery. Upon application of the current Inclusionary Housing Ordinance, this project would yield 15 low and very low-income units. Some low-income households may not be ready for home ownership and may seek rental housing. Other low-income households may not be able to qualify for the inclusionary units, while others consist of one or two persons and therefore may not need an entire single-family home. Some low-income households may be competing with moderate-income households for the same units but may be less able to qualify due to bad credit, employment history, or other factors.

Housing affordable to low-income households usually consists of manufactured housing, mobile homes, self-help owner-built units, large rental apartments and duplexes, and small single-family rental houses. The City has designated land in its Sphere of Influence to accommodate these uses. Program 1.1 requires that the City create a timeline and action plan for requesting annexation approval from LAFCO and attracting developers in order to encourage new construction.

Very Low-income Needs

Income (family of four)

Monthly "affordable" housing cost:

Price of an "affordable" home:

Amount of "affordable" rent: About

96 units

Below \$26,900

\$672 or less

\$84,000 or lower

\$590

Prospects. Housing affordable to very low-income households usually consists of mobile homes, rental duplexes and apartments, boarding houses, and single room occupancy units. With public assistance such as Section 8 vouchers, small rental houses may also be affordable. Public assistance can also create ownership opportunities for very low-income households, usually through manufactured housing or condominium development. Ownership of six low and very low-income household units and 36 low and very-low income rentals will soon be available in Canyon Creek. Though land exists to construct housing for very low-income households, such development is unlikely to happen without local, state, and federal action. At the local level, the City has created incentives for very low-income development, such as density bonuses and fee reductions. The City has reduced other governmental constraints to such development, such as reducing restrictions on manufactured housing and second units. Therefore, the ability to meet this target will depend on the availability of State and Federal financial assistance.

3. Additional Provisions for Special Needs Populations

The "Community Profile" Section noted two especially significant local housing problems that should be addressed in Gonzales' five-year targets. One is household overcrowding and the other is the frequent incidence of childhood poverty in single parent households.

The problem of overcrowding can be addressed by the construction of larger units, particularly rental units with three, four, and five bedrooms. As stated in Program 8.7, the City will consider an ordinance requiring developments exceeding a certain size to include at least 25 or 30 percent large units. Another approach would be to offer low interest loans (through CDBG or an equivalent State program) to overcrowded households seeking to add bedrooms to their existing dwellings. Due to the severity of the problem, first priority should be to alleviate rental overcrowding, and second priority to alleviate overcrowding in owner-occupied households.

The solution to the second problem will require more than just affordable housing. The high incidence of poverty in local single parent households is indicative of a need for increased social services, day care, health care assistance, and adult job training, as well as housing assistance. New affordable housing units that offer access to these services are needed. A number of State and Federal housing programs provide low interest construction loans and/or mortgage insurance to address this need. The City has been working with local nonprofit developers and the County Housing Authority to determine how such housing can be accommodated within Gonzales.

Other significant needs noted in the Community Profile relate to senior citizens, disabled persons, and farmworker households. A number of steps should be taken to make housing for these groups possible, including provisions for second units (subject to certain conditions) and encouragement of new rental housing on the second floors of commercial buildings in the downtown "mixed-use" area.

4. Protection of "At Risk" Units

"At risk" housing is housing that is potentially subject to being converted from public assisted low income housing units to market rate units. State Government Code 65583(a)(8) requires each Housing Element to assess the potential impact of expiring public subsidies on low-income units. Thousands of publicly assisted units throughout California are eligible to change from low income housing to market rate housing during the next decade due to termination of subsidy contracts, mortgage prepayment, or expirations on use restrictions. However, no housing in Gonzales is "at risk" during the period ending 2007.

The Monterey County Housing Authority was contacted to determine the status of the Housing Authority housing stock in the City of Gonzales. The Housing Authority manages housing on behalf of Housing and Urban Development (HUD). All HUD units in Gonzales are rentals. No HUD units are "at risk" in the City of Gonzales because all of the units are locked in to an affordable status in perpetuity. The Housing Authority operates 70 units at this time. These include the Gabilan Court (20 units) public housing units, the Casa de Oro (20 units) elderly housing project and 30 other units at various locations in Gonzales. None of these properties are reported to be at risk.

Review of the Community Housing Improvement Systems and Planning Association (CHISPA) web site indicates that CHISPA currently has 54 single-family home ownership units in the City of Gonzales. Six additional home ownership units are to be constructed by CHISPA in 2002 at the Canyon Creek project site. CHISPA units are not "at risk" at this time because the funding mechanisms used to construct the units preclude conversion to market rate.

The "inclusionary" units built with the assistance of CHISPA in Arroyo Estates and Sunrise Ranch have "interest capture" provisions that provide a strong disincentive to their resale at market rates. The provisions require the owner to pay back the interest subsidy if the house is sold at market rates before the mortgage is paid off.

5. Energy Conservation

The average California family spent over \$500 on home energy costs during 1990. One way to make housing more affordable is to reduce these costs. In this regard, Gonzales participates in a number of programs that encourage greater efficiency in gas, electric, and water use. The City Building Department presently enforces California Energy Commission Title 24 requirements for wall and ceiling insulation, thermal mass, and window to floor area ratios (to reduce heat loss). New homes within Gonzales must comply with these requirements.

Gonzales presently supports and encourages participation in PG&E energy efficiency programs, including energy audits and weatherization. While energy efficient appliances are not mandatory in new construction, the City supports and encourages their use.

Gonzales is also promoting energy conservation through its land use and transportation policies. The City's General Plan recommends balanced job and housing growth to reduce commuting and encourage local self-sufficiency. The Plan promotes mixed commercial and residential development in the central business district to reduce the need for automobile use and encourage pedestrian circulation.

A number of additional measures can be considered by Gonzales to promote energy conservation. These include: (1) development of site planning standards which encourage solar access and efficient use of energy, including landscaping requirements, and street width variations; and (2) a requirement that homes be retrofitted for energy conservation at the time they are sold or vacated.

6. Production Targets for Rehabilitation, Conservation, Energy Retrofitting and "Special Needs" Housing

Rehabilitation. The Housing Conditions analysis in the previous chapter estimated that about 10 percent of the 1979 housing stock, or about 90 units, were suitable for rehabilitation. A target of 25 rental units and 25 owner-occupied units has been set, provided that a funding source becomes available. About half of these units are presumed occupied by low and very low-income households, based on the existing income distribution in Gonzales.

In 1999, the City of Gonzales was awarded a \$500,000 Housing Rehabilitation Grant through HCD's Community Development Block Grant Program (CDBG). A total \$294,850 of the grant and \$24,140 from the City's Redevelopment Agency funded ten rehabilitation projects in a specific target area of the City. The rehabilitated units included three rental units and seven owner-occupied units.

Given the capacity of the grant, few residents of the City participated in the program. An income survey, provided by G. Laurin & Associates, outlined a specific target area for the program. Equal Opportunity marketing was produced and provided to the target area, with little response. After numerous attempts, the City developed a grant/loan program, which allowed homeowners to borrow a maximum of \$50,000 and over the course of years, 50 percent of the loan would be

forgiven, leaving the homeowner with a \$25,000 loan with 0 interest. This action brought two borrowers to the program.

To work around the lack of interest for potentially qualifying residences in the Target Area, the City expanded the program by allowing qualifying homes located outside the Target Area to use the funding from the Redevelopment Agency Low to Moderate Income Housing Set Aside. This program is currently operating.

To mitigate the problems encountered during the last program, the City will produce future applications without the limitation of a target area. Currently, the City is developing a grant application with the Department of Housing and Community Development HOME Investment Partnership Program to continue the Housing Rehabilitation Program including Rental Property and will consider expanding program service to First Time Home Buyers through a Down Payment Assistance Program.

Conservation. There are currently 83 Section 8 recipients in Gonzales. The City's conservation target is that there be no net loss of Section 8 vouchers and certificates and that the existing Monterey County Housing Authority projects remain affordable.

Energy Retrofitting. Estimates of the number of homes that would benefit from energy retrofitting are not available. A year 2007 target of 10 homes has been set, but more homes may participate in retrofitting programs should funds become available. The goal in these homes should be a 50 percent reduction in home energy use. As the quantified objectives indicate, the beneficiaries of these programs should be lower income households. Through the rehabilitation program described above, some of the ten residences were made more energy efficient through the rehabilitation of the structure (i.e., new window glazing, attic, wall and basement insulation). Therefore, through rehabilitation of older structures energy efficiency is increased.

Seniors and Disabled. The Census identified 43 senior citizens living below the poverty level and 530 residents with mobility or self-care limitations. The supply of affordable housing for this population is very limited. A production target of 15 new very low-income units has been set for this population.

Large Lower-Income Families. The Census identified 140 severely crowded rental units and 80 severely crowded owner-occupied units in Gonzales. The number of these units that house lower-income families is not known, but such families probably occupy a majority of these units. A target for new housing units for large, low and very low-income families has been set to alleviate overcrowding. These units should be scattered within market rate family housing developments, both for owners and for renters.

Farmworkers. There are no accurate estimates of the number of farmworkers in Gonzales. The Community Profile indicated that more than 655 Gonzales residents were employed in agriculture in 2000 but only a percentage of these workers are field laborers. Housing specifically dedicated for farmworkers in Gonzales currently includes a labor camp and a boarding house. A number of very low-income units should be set as a 2007 housing target. This can be accommodated in a number of ways, including new boarding houses or transient hotels, new labor camps, or creation of second units. Industry-related housing should also be allowed in the Industrial and Agriculture zoning districts.

Single Parent Households. The Census identified 163 single mother households with children present. A majority of the single-mother households are below the poverty level. A year 2007 target of new housing units for low and very low-income single-parent families should be set, although additional units should be provided if funding becomes available. Housing for single-parent families should include on-site day care and could be mixed with housing for large families if desired.

E. Housing Opportunities

1. Introduction

State law requires each local Housing Element to include an inventory of land suitable for new housing units. Government Code 65583 (a)(3) states that the Element must contain: *'An inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites.'* The purpose of this requirement is to compare the City's development capacity with the new construction need by income level. This section of the Housing Element fulfills this requirement. It also identifies opportunities for specific types of housing within Gonzales, including "in-law" units, mobile homes and manufactured housing, emergency shelters, and high-density housing.

There are four types of potential housing sites in Gonzales. First, "infill" sites, or the development of sites within the existing City limits, are located within the existing developed part of the City. Such sites already have water and sewer services and tend to be individual City lots that have been bypassed by development. Second are vacant sites that are within the City's SOI and prezoned Residential. Such sites lack infrastructure and require annexation, rezoning, and utility extensions before they can be developed. This category constitutes most of Gonzales' residential development potential.

Third are redevelopment sites in a 17-acre downtown "Mixed-use" District established created by the General Plan. Although most of the sites in this district are already developed, some include parking lots or open storage areas that could potentially support housing. Other sites in the district may contain abandoned or obsolete buildings, while others contain buildings with vacant second floors.

Fourth are non-residentially zoned vacant sites that might be rezoned for housing. This would include vacant commercial areas and vacant industrial areas with the potential to be rezoned.

2. Available Sites

Summary of Land Inventory.

Two single-family and one multi-family infill sites currently provide an opportunity for the development of two single-family units and three multi-family units. Upon build-out of Canyon Creek, six single-family and 36 multi-family affordable units will be available. An additional 102 multi-family units can be accommodated as second or third stories above commercial uses in the Mixed-use district in downtown Gonzales. Table IV-26 shows the potential for new housing in various categories of vacant or underutilized land.

The City's Sphere of Influence contains sufficient land outside of the current City limits to accommodate 605 new single-family units and 297 new multi-family units. This vacant land consists primarily of large agricultural parcels east of Highway 101 that are prezoned for residential development. Such parcels constitute 54 percent of the single-family land supply and more than eight percent of the multi-family land supply. Excluding redevelopment potential in the downtown area, about three percent of the City's total housing potential lies within the existing City limits, indicating that annexation will be necessary to meet the AMBAG housing targets. Program 1.1 details steps and timeframes to initiate and complete annexation over the planning period. First priority for annexation should be given to areas contiguous to the existing

City limits, where services can be most easily provided and impacts on agricultural operations can be minimized.

Table IV-26
AVAILABILITY OF HOUSING SITES, 2000-2007

Zoning/ Location	Acreage	DU/Acre (Average)	Potential New Units	Public Services Capacity
R-1 Infill Sites				
231 Eighth	0.16	5.4	1	Adequate
219 Sixth	0.16	5.4	1	Adequate
R-2 Infill Sites				
123 Seventh	.16	17.4	3	Adequate
Approved Subdivisions	4			
R-1			6	Adequate
R-2			36	Adequate
Pending PUD/ Subdivision (Cipriani Estates)	13	5.7	71	Adequate
Prezoned R-1 within the SOL	112	5.4	605	Requires improvements to wastewater collection system, Fifth Street overpass, and the Gloria Road/Highway 101 intersection
Prezoned R-2 within the SOL	17	17.4	297	
Downtown Mixed Use Zone	17	na	102	Requires improvements to water distribution lines
Grand Total	163		1122	

Source: City of Gonzales, 2002.

Residential Infill Opportunities.

Single-family lots. The Single-family zoning district is intended primarily for single-family homes. Multi-family residences, second units, manufactured homes, family day care homes, residential care facilities, schools, parks, home occupations, churches, libraries, and clinics are permitted with a conditional use permit. Building height is limited to 2 stories and 35 feet and the minimum lot size is 6,000 square feet. Homes in the Single-family District are also subject to front, side, and rear yard setback requirements, as well as off-street parking requirements.

There are only two vacant lots west of Highway 101 with the Single-family designation, with a development potential of two single-family units or four duplex units. Based on land and construction costs, housing on these lots is expected to be affordable to moderate-income households.

Multi-family lots. The Multi-family zoning district currently allows multiple family dwellings, single-family dwellings on lots under 6,000 square feet, day care centers, residential care facilities, hotels, clubs, and lodges. Single-family dwellings can be built on existing sites as small as 2,000 square feet and new sites that are at least 2,625 square feet. Duplexes are allowed on sites that are at least 7,500 square feet in size. Multi-family projects involving more than two units require at least 10,000 square feet. Such projects are also subject to specific standards for parking (1.5 to 2 spaces per unit), useable open space (500 square feet per unit),

height (two stories or 35 feet), and trash collection areas. The required density for new multi-family dwelling projects is 8 - 24 units per acre.

There is only one vacant multi-family zoned parcel in the City, large enough to support a duplex, triplex, fourplex, or five-plex respectively. Based on recent development on comparable sites in Gonzales, development of these sites is expected to consist of rental units affordable to lower-income households.

Large, Residentially Zoned Sites in the City Limits.

The most recently approved subdivision is in its final building phase, which will include 36 multi-family dwellings and six very-low-income single-family dwellings.

A pending application proposes to rezone from Industrial to Residential, a 13-acre site adjacent to the winery to allow the development of 71 dwelling units (Cipriani Estates). This development is required by the current Inclusionary Housing Ordinance to provide 19 affordable housing units.

Residential Sites Outside the City Limits.

Single-Family Residential. A 112-acre area south of California Breeze is located within the City's SOI and is rezoned low-density residential. However, consistent with LAFCO policies, the area is not likely to be annexed until a specific project is proposed. Assuming 26 percent of the land is used for streets and parks and the balance is developed with 6,000 square foot lots, the site could accommodate 605 units. Program 2.3 proposes revisions to the City's Inclusionary Housing Ordinance that would require that thirty percent of new residential development be reserved for moderate, low- and very low-income households. Upon application of the revised ordinance, the 112-acres would yield 60 moderate, 60 low- and 60 very low-income households.

It is possible that the percentage of single-family units in new development areas affordable to lower income households could actually exceed 10 percent. For instance, the Gonzales Zoning Ordinance allows for some of the area south of California Breeze to be developed with manufactured housing on single-family lots or as a PUD with smaller single-family lots. Some of the single-family units might be designed to accommodate second units to serve as rentals. Implementation of Program 2.4 will encourage such measures as a way of increasing the City's affordable housing supply while maintaining its single-family residential character.

Multiple Family Residential. A nine-acre site and an eight-acre site within the City's Sphere of Influence have been rezoned for "Medium Density Residential" development. Both sites are located on the east side of Highway 101 near the La Gloria Road interchange. Under the current zoning ordinance, both properties are developable at a density of 8 - 24 du/acre. Using an average of 17.4 du/acre, these sites could accommodate 297 units.

The Multiple Family Residential zoning district encourages the development of townhouses, garden apartments, condominiums, patio homes, or mobile/manufactured homes. Upon the application of the Inclusionary Housing Ordinance, 90 of these units would be affordable to very low-, low- or moderate-income households. As multi-family housing, the balance (207 units) would probably be affordable to moderate-income families. Their development would require circulation and public utility improvements. Upon implementation of Programs 1.1 and 1.3, a portion of these sites will be developed by 2007.

Redevelopment Sites. The City has a 17-acre Mixed-use district extending 10 blocks along Alta Street between C Street and Eighth Street. The District encompasses the City's downtown area and the established commercial "strip" along Old US Highway 101. The intent of the Mixed-use district is to encourage redevelopment of underutilized sites and adaptive re-use of older commercial buildings, many of which have historic merit. The goal is to maintain downtown as an attractive vital center, with an orientation towards pedestrians rather than cars and a range of land uses including multi-family housing.

"Vertical" mixing of land uses is encouraged in the Mixed-use district, with residential uses developed on the upper floors of new and existing commercial buildings. It is estimated that up to 102 new residential units could be created in the district. This estimate assumes that about half of the parcels in the district are redeveloped or reused with ground floor commercial uses, and that half of the redevelopment projects include second floor residential uses. Addition of housing by 2007 is probably limited to parcels that are now for sale or that contain vacant space. Construction of six rental units on the second floor of a building on Fourth Street is underway.

Units in the Mixed-Use District would generally be available as rental apartments affordable to lower income households. Some units might be specifically earmarked for senior or disabled households. Program 8.1 encourages the City to become actively involved in making this kind of development happen within the Mixed-use district.

Elsewhere in Gonzales, new housing might be created through redevelopment or more intense development of parcels with single-family homes in the Medium Density District. Although many of the lots zoned medium density can accommodate two or three units, some are developed with single-family homes only. These lots may have the potential for second unit apartments above garages, on upper floors or basements, or in detached rear yard cottages. Such apartments would provide a housing resource for seniors and small households. A few of the medium density lots contain substandard single-family homes that could be demolished and replaced with duplexes, single-family homes with second units or multi-family units.

3. Impact of Proposed Policy and Regulatory Changes

The Gonzales General Plan has three residential designations: (1) Low Density (1-7 units per acre); (2) Medium Density (8-12 units per acre); and High Density (13-24 units per acre). The designations were designed to encourage a greater variety of housing types within the City and are intended to promote multi-family housing that is compatible with the small town character of Gonzales.

The Gonzales Zoning Ordinance identifies areas designated "Medium Density Residential" and "High Density Residential" in the General Plan as Medium Density Residential (8-24 du/acre) on the zoning map. The Medium Density zoning designation also accommodates single-family units on small lots, duplexes, triplexes, and fourplexes, as well as mobile and manufactured home projects, townhomes, patio homes, and apartment complexes.

Gonzales' land use policies also make a strong Commitment to an "integrated site" approach to lower income housing, rather than concentration of such units in particular parts of town. The City's Inclusionary Housing Ordinance integrates affordable units with market-rate units in all new development projects. The affordable units look virtually the same as the market rate units, and the overall quality of the developments is very high.

None of the City's residential land supply is encumbered by Williamson Act Contracts. However, some of the parcels are outside the City Limits and will require annexation before they can be zoned or developed for residential use. Program 1.1 addresses this issue.

4. Opportunities for Particular Unit Types

Second Units. A second unit is an attached or detached residential unit on the same lot as the primary unit. It provides complete facilities for sleeping, eating, cooking, and sanitation. The Gonzales Zoning Ordinance permits second units in residential, mixed-use and agricultural zoning districts. Second units can be created by partitioning space in an existing unit or adding an accessory structure. They provide both an important source of affordable housing and a source of extra income for homeowners. State Government Code Sections 65852.1 and 65852.2 encourage local governments to allow second units, particularly when the units serve senior citizens. State law prohibits local governments from banning second units altogether, unless there are adverse health, safety, and welfare impacts.

Density Bonuses. A "density bonus" is the allowance of higher densities than what is permitted under zoning. In communities throughout California, such bonuses are offered as incentives to developers who agree to incorporate affordable units within their projects.

The State Government Code (Section 65915) was amended in 1990 to require local governments to make a 25 percent density bonus (and an "additional financial incentive") available to developers agreeing to include any of the following in their projects:

- 20 percent of the units affordable to low-income households
- 10 percent of the units affordable to very low-income households'
- 50 percent of the units for senior citizens

The State requires the ordinance to apply to all projects with five units or more. Local governments are left to choose their own "additional financial incentives," but reduced development, zoning, and design standards are offered as possibilities. The State also indicates that the "affordable" units must remain affordable for at least 30 years. "Affordable" units are those that require less than 30 percent of gross household income. Affordability levels are defined for each county by the State Department of Housing and Community Development based on median income data, and vary depending on the number of persons in the household.

In 2000, Gonzales adopted an Inclusionary Housing Ordinance that also provides for density bonuses, consistent with State law. The City has applied the ordinance to the Canyon Creek Subdivision. Twenty-one percent of the development is designated for low- and very low-income housing.

Mobile Homes and Manufactured Housing. Mobile homes and manufactured housing are a small but important part of California's housing stock. As housing prices have risen, mobile and manufactured homes have become more popular as an alternative to conventional single-family homes. This is particularly the case with manufactured homes, which are built to Uniform Building Code standards and very similar in appearance to conventional single-family homes. With even minimal design controls, manufactured homes can be both cost-effective and attractive.

Chapter 1142 of Senate Bill 1960 (passed in 1980) requires all cities and counties to allow mobile homes on foundations in all single-family residential zones. Further, Chapter 974 of Senate Bill 484 (passed in 1981) requires that mobile home parks be allowed in all residential zones, subject to a use permit.

The Gonzales Zoning Ordinance allows mobile homes in designated mobile home parks. Mobile home parks are permitted with a conditional use permit in the mobile home park zone, provided they meet certain criteria (see Table IV-28). As stated in Program 2.2, the City will pursue a revision of its zoning ordinance to allow mobile homes on foundations in the Single-family and Multi-family districts. Because of concerns over neighborhood character and architectural quality, Program 2.2 encourages the City to adopt design standards for mobile homes. About two-thirds of all California local governments have adopted architectural requirements for mobile homes on single-family lots.

Higher Density Housing. State law specifically requires each local housing element to identify adequate sites for multi-family rental housing (Section 65583(c)(1)). In Gonzales, such sites include vacant and redevelopable sites in the Medium Density Residential and Mixed-Use Districts, as well as unsubdivided land east of Highway 101 rezoned for Medium Density housing.

The Medium Density Residential district presently allows densities from 8 to 24 units per acre, but as mentioned earlier, the supply of such sites is very limited. There is one "infill" site listed in Table IV-26. Thirty-six multi-family housing units are permitted for construction in the Canyon Creek development at the northeast end of town and 17 acres south of California Breeze are rezoned for Medium Density residential development. Higher density housing is encouraged within the Mixed-use District.

Emergency Shelters and Transitional Housing. State Government Code (Section 65583 (c)(1)) requires local governments to identify sites for emergency shelters and transitional housing where a homeless problem has been identified. Emergency shelters provide short-term shelter for persons in need, while transitional housing provides longer-term shelter, usually accompanied by social services that assist persons in becoming more self-sufficient.

Although there is no *visible* homeless problem in Gonzales, there may be a need for emergency shelter for victims of domestic abuse, individuals in crisis, or migrant farmworkers unable to find suitable shelter. There may also be individuals living in substandard or grossly overcrowded housing, because they lack the resources for safe, decent shelter. Emergency and transitional housing opportunities for such persons are limited in Gonzales. The Salvation Army and local churches provide limited aid, while the Gonzales Police assist such individual in finding emergency shelter in Salinas.

The City will continue to work with Monterey County, the local Salvation Army and churches, and Rural Legal Aid organizations to better identify the need for emergency shelter and to identify possible sites for shelter in the City. According to Program 8.6, the City will amend the Gonzales Zoning Ordinance to allow limited overnight shelter within local churches or to add emergency shelters (for victims of domestic abuse, etc.) to the list of permitted uses in the Multi-family Zoning District. Presently the Multi-family District allows hotels, lodges, and "similar uses" without specifying what the "similar uses" are.

Farmworker Housing. Farmworker housing is not specifically regulated by the zoning ordinance. The renting of rooms is not expressly prohibited in the Single-family zone, and

boarding houses are permitted in the Medium Density Residential zone. Program 8.3 requires that the City amend its zoning ordinance to allow residential uses specifically related to an industry in the Industrial zone; and farmworker housing in the Agricultural zone. At least one labor camp presently exists in the industrial area west of Alta Street.

Senior and Disabled Housing. Residential care facilities are allowed in the Low and Medium-Density Zoning districts with a conditional use permit. Program 8.1 requires that the City encourage nonprofit sponsors to apply for HUD Section 202 funds for the construction of rental housing for senior and disabled households. This program also requires that the City take the actions necessary to expedite processing and approval of such projects if Section 202 funds are received, including assisting the sponsors in locating appropriate sites.

Program 8.2 requires the City to survey local apartment owners to develop an inventory of units that are equipped for physically disabled persons. The City will then work with the Gonzales Public Library to create a referral service for disabled persons who are seeking information on the availability of such units. Owners of such units will be requested to give first priority in renting the units to disabled persons when they become vacant.

Program 2.8 requires the City to give priority to the approval of development in the Mixed Use Zoning District when it consists of rental units that are affordable to lower income households, particularly senior or disabled households.

6. Prospects for Meeting Fair Share Housing Needs by 2007

Table IV-27 provides a summary of housing sites that are expected to be developed by 2007.

Table IV-27
SUMMARY OF HOUSING OPPORTUNITIES BY 2007

Type/ Location	Number of Units
Single-family Infill Sites	
231 Eighth	1
219 Sixth	1
Multi-family Infill Sites	
123 Seventh	3
Canyon Creek	
Single-family	6
Multi-family	36
Cipriani Estates	71
Downtown Mixed Use	29
Second Units w/in City Limits	25
Industry-related housing	15
R-1 Prezoned land w/in SOI (27 acres)	145
R-2 Prezoned land w/in SOI (8 acres)	140
Total Potential by 2007	472

Source: City of Gonzales, 2002.

Table IV-28 shows how application of the housing policies will enable Gonzales to meet its "Fair Share" housing needs of the region. This table assigns numbers of affordable housing units expected to be developed by 2007 based on implementation of housing policies, some of which are summarized below:

1. Programs 1.4, 1.5 and 1.7 require that the City maintain R-1 zoning on the two "infill" sites west of Highway 101. These two infill units on single-family lots are expected to be affordable to moderate-income households.
2. Programs 1.4 and 1.5 and 1.7 require that the City maintain R-2 zoning on the one "infill" site west of Highway 101, which would yield three units affordable to low income households.
3. Programs 1.2 and 2.5 require that the City promote the conversion of underutilized second floors in downtown commercial buildings to rental housing. The goal of these programs is to encourage the development of 15 very low, 7 low- and 7 moderate-income units in Mixed-use projects on upper floors of downtown commercial space by 2007.
4. The City is currently considering the Cipriani Estates development application, which will provide 52 above moderate, 10 low and 9 very low-income units upon application of the current Inclusionary Housing Ordinance.

5. Program 1.1 requires the City to work with LAFCO to annex 27 acres of R-1 and eight acres of R-2 land within the SOI by 2007. Program 2.3 requires that the City amend its Inclusionary Housing Ordinance to require that 30 percent of new development be made available for moderate-, low- and very low-income families.

In addition, the following programs will further encourage the development of affordable housing in Gonzales.

- Program 1.7 requires that the City require a conditional use permit for detached single-family residences on large lots in the Medium Density zoning district.
- Program 2.4 requires that the City revise the zoning ordinance to facilitate the addition of second units.
- Programs 2.6 and 2.7 require that the City promote County Mortgage Revenue Bonds or Mortgage Credit Certificates that make home ownership possible for moderate-income households.
- Program 8.3 requires an amendment to the zoning ordinance to allow farmworker and industry-related housing in Industrial and Agricultural zoning districts.

Table IV-28
SUMMARY OF "FAIR SHARE" HOUSING OPPORTUNITIES BY 2007

Type/ Location	Potential Units by 2007			
	Above	Moderate	Low	Very Low
Single-family Infill Sites				
231 Eighth		1		
219 Sixth		1		
Multi-family Infill Sites				
123 Seventh			3	
Canyon Creek				
Single-family				6
Multi-family			18	18
Cipriani Estates	52		10	9
Downtown Mixed Use		7	7	15
Second Units (w/in City Limits)			10	15
Industry-related housing				15
R-1 Prezoned land w/in SOI (27 acres)	103	14	14	14
R-2 Prezoned land w/in SOI (8 acres)		112	14	14
Total Need (less new construction in 2000 - 2001)	40	102	64	96
Total Potential by 2007	155	135	76	106
Total Shortfall	0	0	0	0

Source: City of Gonzales, 2002.

F. Development Constraints

1. Introduction

This section of the Housing Element examines constraints to meeting the City's identified housing needs. California Government Code Section 65583 (a)(4) states that the Element must analyze potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures." Where such constraints are identified, the City is required to take action to mitigate or remove them. In addition to governmental constraints, this section also assesses economic constraints, financing constraints, environmental constraints, and other less tangible constraints.

2. Governmental Constraints

Government regulations affect housing costs by limiting the supply of buildable land, exacting fees and setting policies for the use of that land and influencing the time required before development of the land can take place. These factors are usually passed along to the consumer in the form of higher housing costs.

Governmental constraints may be divided into a number of categories, including planning policies, annexation policies, zoning regulations, site improvement requirements and building codes, fees, processing and permit procedures, and other agency impacts.

Planning Policies. The other Elements of the General Plan, particularly Land Use, contain several policies affecting the production of housing. The Housing Element was prepared to be internally consistent with the General Plan and follows the same basic premises. The Land Use Element acknowledges the need to annex and zone new areas for housing. It also supports the development of infill housing and mixed-use housing on vacant or underutilized sites. The Community Character Element supports housing rehabilitation and conservation of neighborhoods.

Policy 1.2 in the Land Use Element promotes a variety of housing types, while Policy 1.3 promotes a balance between housing production and employment growth. Policy 2.1 encourages a moderate growth rate. Policy 2.2 encourages variations in lot sizes and densities in new neighborhoods, with new development compatible in character with existing neighborhoods. Policies 4.4 and 7.1 encourage a mix of housing types, densities, and prices east of Highway 101, while Policy 4.5 encourages infill development and mixed use housing west of Highway 101. Policies 6.1 and 6.2 promote housing conservation and rehabilitation in existing neighborhoods, while Policy 6.3 blocks encroachment of nonresidential uses into areas designated for housing on the Land Use Diagram. Policy 7.2 discourages construction at densities lower than the maximum permitted in the General Plan. Policy 7.7 encourages housing that reduces overcrowding.

Policy constraints to affordable housing production may still exist, however. Land Use Element policies discourage the encroachment of apartments into single-family residential areas (Policy 6.4) and suggest that growth management limits be considered in the future if development proceeds too rapidly (Policy 2.1). One of the key goals of the General Plan is to maintain a small town atmosphere with relatively low densities. Consistent with that goal, the number of sites shown on the Land Use Diagram as "High Density Residential" is small. However, upon

the 2000 update of the Gonzales Zoning Code, all land designated "Medium Density" and "High Density Residential" in the General Plan was zoned Medium Density Residential (8 - 24 units per acre density). The City is planning to update its General Plan in 2003, which will address the current land use and zoning inconsistency.

The Action Program for this Housing Element includes a number of specific measures to accommodate lower income housing needs using low and medium density housing types rather than high-density apartments. Components of these programs include raising the inclusionary requirement for new development (setting aside 30 percent of the units in new development for low or moderate income households), easing requirements for second units and mobile homes in the zoning ordinance, and promoting mixed-use development in the downtown area.

Gonzales does not have growth management policies or requirements limiting the number of units that may be constructed in a single year. The City does encourage large-scale development to be built in phases rather than all at once, but this does not appear to have adversely affected housing costs or production. Likewise, Gonzales' policy of requiring a certain number of units in new development to be reserved for lower income households does not appear to have driven up the cost of the market-rate units or discouraged overall housing production.

Annexation Policies. As mentioned in the previous chapter, the City will need to annex land to meet its housing allocation during the 2000-2007 period. A potential government constraint is the need for approval of annexation requests and amendments to the City's city limits by LAFCO (Local Agency Formation Commission), which is the regional agency that approves such requests. Their primary objective is to ensure that growth is orderly and well planned; a secondary objective is the protection of prime agricultural land.

Because Gonzales has directed its future residential development away from prime agricultural land and has designated its growth areas in a logical and efficient manner, the need for LAFCO approval does not constitute a major constraint to development. Historically, LAFCO has been expeditious in approving incorporation requests for rezoned land in Gonzales. Program 1.1 addresses this potential constraint by including a measure to begin working with LAFCO immediately upon receipt of development proposals to amend the Gonzales City limits.

Zoning Regulations. The Gonzales Zoning Ordinance establishes allowable density and development standards for residential uses. The current zoning ordinance permits residential uses in the Low-Density (R-1), Medium-Density (R-2), and Mixed-Use (MU) zones. Table IV-29 summarizes the development standards for these zoning districts. Two off-street parking spaces are required on all single-family lots, although this requirement may be relaxed if needed to accommodate FmHA units. The requirements are straightforward and do not constrain single-family housing development.

**Table IV-29
DEVELOPMENT STANDARDS**

Zoning District	Permitted *	Conditionally Permitted **	Setbacks F/S/R	Density	Height	Minimum lot size
Low Density	Detached single family, manufactured homes	Attached single-family, duplexes, 2 nd units, multi-family	20/5/20	1-7	2 sty, 35 ft	6,000
Medium Density	Attached and detached single-family, duplexes, boardinghouses, manufactured homes	Multi-family and 2 nd units	20/5/10	8-24	2 sty, 35 ft	2,625-single family, 7,500-duplexes, 10,000-multi-family

* Requires staff approval and building permits

** Requires Conditional Use Permits approved by the Planning Commission and building permits

Source: City of Gonzales Zoning Ordinance, 2002

The 2000 zoning ordinance revision replaced the Multi-family Residential Zoning District with the Medium Density Residential Zoning District. Maximum allowed density was raised from 21 to 24 units per acre. The Medium-Density Residential District permits attached and detached single-family dwellings, duplexes, boardinghouses, and manufactured structures. Second units and multiple-family dwellings are permitted with a use permit when the proposed design and density is compatible with the surrounding neighborhood. Reduced setbacks are allowed for rear-set garages for single-family dwellings on small lots.

For multi-family dwellings, second stories are required to be stepped back if necessary to achieve compatibility with existing adjacent development. Other requirements for multi-family dwellings include one parking space for studios and one-bedrooms, two parking spaces for two to three bedroom units, and three parking spaces for four bedroom units, and an open space requirement of 500 square feet and storage area requirement of 6'x8'x5' per dwelling unit.

The Mixed-Use District requires that a new structure contains a residential component and that new projects that are entirely commercial shall only be allowed when inclusion of residential units is infeasible or incompatible with the project. Shared parking is allowed in the Downtown Mixed Use District.

Mobile homes are a permitted use in a Mobile Home Park District. The maximum density must be consistent with the General Plan designation for the property. Other requirements include 600 square feet of recreation space per mobile home site, 75 cubic feet of storage and adequate trash enclosures per site, and two parking spaces per mobile home plus one guest space per two mobile homes.

There are a number of constraints to the production of affordable housing related to the zoning ordinance. More relaxed standards for second units and the allowance for mobile homes on a permanent foundation are needed and are addressed in Programs 2.2 and 2.5. Standards for farmworker housing and emergency shelters are also needed. This need is addressed in Programs 8.3 and 8.7. There is a general shortage of land zoned for higher density residential

development. Approximately 130 acres of land outside the City limits are rezoned for housing at low, medium and high densities. In the years after this Element is adopted, a portion of these areas will be annexed to the City and rezoned, as appropriate, as described in Program 1.1.

Currently, the City has no design guidelines or design review process. Program 4.2 requires that the City adopt residential design guidelines. The new guidelines will be designed to have a positive impact on affordable housing construction by requiring that such housing be attractive and compatible with the community, thus making it more acceptable to Gonzales residents.

The City does offer waivers to developments that incorporate affordable units. Section 17.24.080 of the zoning ordinance allows the Planning Commission to waive Medium-Density Residential zoning standards for projects that renovate substandard buildings or create housing for low and moderate-income families. For instance, off-street parking requirements have been modified in the past for FmHA units. Waivers or reductions of other standards, such as parking requirements for senior housing, are also allowed.

The inability to build at higher densities is somewhat of a constraint. However, densities greater than 24 units per acre would be inconsistent with the town's character and would be inappropriate. The City intends to develop design standards for affordable housing in the 8-24 unit per acre range.

The Gonzales Zoning Ordinance currently allows second units on 8,000 square foot lots upon approval of a use permit. There are very few residential lots larger than 8,000 square feet in Gonzales. Program 2.4 requires that the City amend the Gonzales Zoning Ordinance to allow second units as a permitted use on lots 6,000 square feet or greater and promote such opportunities throughout the community.

Site Improvement Requirements and Building Codes. Housing construction in Gonzales is subject to a variety of site improvement and building code requirements that add to the cost of development. Developers are generally responsible for covering the full cost of water, sewer, road, and drainage improvements within their projects. Development agreements may also be used to negotiate other public improvements, such as park and school sites. These costs may be passed on to buyers in the form of higher home prices.

The City does not impose any requirements other than those deemed necessary to maintain public health, safety, and welfare. *Thus, site improvement requirements are not considered a constraint to affordable housing production in Gonzales.*

Title 16 of the Gonzales Municipal Code includes provisions for the subdivision of land. The ordinance governs procedures for dividing land, dedication of public facilities (parks and school sites), and the design of streets, utilities, lots, and improvements. Local streets must be 60 feet wide and cul-de-sacs or service roads to less than 18 units must be 50 feet wide. New lots must be 6,000 square feet and must be at least 60 feet wide and 80 feet deep. While these standards are not overly restrictive, the City will consider provisions for waivers or reductions for projects which are innovatively designed, or which incorporate affordable units. The City will consider revising its subdivision ordinance to allow narrower roads, smaller lots and greater pervious area in new subdivisions. These development characteristics will reduce the purchase costs by providing smaller lots and allow increased percolation of precipitation thereby decreasing the size and cost of drainage infrastructure. Further, narrower roads are less expensive to install and maintain. Reductions in site standards are presently considered when

required to qualify for certain State and Federal funds. However, there is no "official" policy describing when such reductions are made.

New construction must meet the Uniform Building Code (UBC) and must comply with Title 24 standards for energy efficiency. Gonzales requires fire sprinklers in new single family and multi-family units, which creates an additional construction cost above what is normally required by the UBC.

There do not appear to be any site improvement or code regulations that will impede or discourage the maintenance and conservation of older buildings. Although the City rescinded its rental inspection ordinance (requiring that all rental units be inspected after being vacated), it continues to perform inspections by request.

Fees. Development fees have been used to recover the capital and operating costs associated with extending community services. Table IV-30 summarizes permitting fees for residential construction in Gonzales based on 2002 information. The largest costs are associated with water and sewer impact fees, which together cost more than \$8,004 for a single family home. Costs associated with duplexes and multi-family dwellings are described below in Table IV-30. Police and fire mitigation fees for a detached single-family dwelling are currently \$1,701. The Gonzales Union School District charges impact fees for new residential development, which is \$2.05 per square foot.

Table IV-30
TYPICAL RESIDENTIAL PERMITTING FEES IN GONZALES - 2002

Fee	Amount
Single Family Residence	
Building Permit	See Table 3-A, 1991 Administrative Code
Seismic Assessment	S .0001 x Valuation
Plan Check	75% of Building Permit Fee, plus 7% SAF
Energy Plan Check	\$120
Park Impact	\$1,200
Police Mitigation	\$411.26 to 577.19
Police Mitigation/Mobile Home	\$276.77
Fire Mitigation	\$1,123.97
Fire Mitigation/Mobile Home	\$739.46
Fire Sprinkler Plan Check	\$150 (minimum)
Water Facilities Mitigation	\$2,257
Water Meter	\$100 - \$666.38 (5/8" to 2" pipe diameter)
Set Water Meter	\$52 - \$103, depending on pipe diameter
Sewer Facilities Mitigation	\$4,141 to \$7,353
Sewer Inspection	\$50
School Impact Fee	\$2.05 per square foot
Duplex or Multi-family Residence	
Building Permit	See Table 3-A, 1991 Administrative Code
Seismic Assessment	S .0001 x Valuation
Plan Check	75% of Building Permit Fee, plus 7% SAF
Energy Plan Check	\$120
Park Impact/MFD	\$2,000 plus \$100 per unit
Police Mitigation/MFD	\$739.46/unit
Fire Sprinkler Plan Check	\$150 (minimum)
Fire Mitigation/MFD	\$739.46/unit
Water Facilities Mitigation	
Duplex	\$2,031/unit
Three or more units	\$1,580/unit
Water Meter	\$100 - \$666.38 (5/8" to 2" pipe diameter)
Set Water Meter	\$52 - \$103, depending on pipe diameter
Sewer Facilities Mitigation	
Duplex	\$3,727 to \$6,618/unit
Three or more units	\$2,899 to \$5,147/unit
Remodels	\$207 to \$368/unit
Sewer Inspection	\$50
School Impact Fee	\$2.05 per square foot

Source: City of Gonzales Cost for Services Fee Schedule, July 15, 2002.

Note: Fees for environmental review, and General Plan or proposed sphere of influence amendments have not been included in the table. Additional fees (\$450) are also required for variances and conditional use permits.

Impact fees usually are passed on to homebuyers or renters in the form of higher housing costs. Table IV-31 table indicates typical permit fees for a number of different types of new

development in Gonzales. If the site were in a subdivision, additional costs incurred by the developer (EIR preparation, park dedication, and construction of roads and utilities) might be passed on to the homeowner through higher home prices. For multiple unit buildings, permit costs tend to remain in the \$7,000 per unit range. As Table IV-31 indicates, even a 24-unit apartment building would require fees totaling about \$7,186 per unit.

**Table IV-31
FEES FOR TYPICAL RESIDENTIAL UNITS IN GONZALES - 2002**

Description of Project	Total Amount of Impact and Building Permit Fees	Cost per Unit
New 2,000 sq. ft. 4 bedroom/3 bath single family home with a 400 sq. ft. garage on a 6,000 sq. ft. lot	\$14,053.87	\$14,053.87
New 1,500 sq. ft. 3 bedroom/ 2 bath single family home with a 400 sq. ft. garage on a 6,000 sq. ft. lot	\$12,322.12	\$12,322.12
New triplex containing <i>three</i> 1,000 sq.ft. units, each containing 2 bedrooms, 1.5 baths, and 1.5 parking spaces per unit	\$24,682.96	\$8,227.65
Six one and two bedroom/one bath apartments added to the second story of an existing commercial building, without garage	\$7,823.94	\$1,303.99
New apartment building containing 24 units, each 1,000 sq. ft. with 2 bedrooms/1.5 baths, and 1.5 parking spaces per unit	\$172,477.06	\$7,186.54

Source: City of Gonzales, 2002.

Impact and building permit fees represent a constraint to the production of lower income housing in Gonzales. The Action Program in this Element includes a program for mitigating this constraint by reducing fees for units that are affordable to lower income households and by reducing fees for units that are on the upper floors of downtown commercial buildings (See Program 7.3). The current inclusionary housing ordinance does offer a reduction in fees as one of the incentives to include affordable housing in a development of five or more units. In addition, the construction of affordable housing results in a de facto fee reduction for nonprofit builders, since they purchase their lots after the developer-financed site improvements are already in place and after EIR preparation costs, General Plan Amendment fees, annexation fees, subdivision fees, and other City planning fees have been paid.

Processing and Permit Procedures. Processing time for a conventional building permit in Gonzales requires five working days for review, provided that no variances, use permits, or other special procedures are required. Processing time tends to increase as the project becomes more complex. General Plan amendments, annexations, or filing of subdivision maps may require several months to process.

Projects requiring review under the California Environmental Quality Act (CEQA) are also subject to public notification and review time limits set by the State. City staff regularly holds predevelopment conferences to identify major concerns and to avoid delays during the formal review and public hearing process.

Permit processing time does not currently constrain affordable housing production in Gonzales. The City continues to look for additional measures to expedite and streamline its permitting procedures. Automation of permit records would provide another opportunity but may be infeasible at this time due to budget constraints. Finally, Focused EIRs (instead of Program EIRs) addressing particular impacts might expedite development.

Use Permit Requirements. A use permit is presently required for any multifamily housing development in Gonzales, including projects in the Medium Density zone. Use permits may only be granted after the Planning Commission makes findings of fact that the project will not be detrimental to public health, safety, morals, comfort, and general welfare. This process requires public hearings before the Planning Commission. The hearings may result in changes to project design and density, as well as conditions of approval. Project requirements, findings, and conditions of approval are clearly specified in the zoning ordinance. Typical conditions include dedications or improvements of public facilities, site, structure and landscaping features, and design standards that facilitate the adoption of the following required findings:

1. That the use is necessary or desirable in relation to the purposes and intent of the Gonzales General Plan, zoning ordinance, and the economic, social and environmental status of the City;
2. That the use will be properly related to other uses, transportation facilities, and other public facilities in the area, and will not cause undue environmental impacts relating to noise, odor, pollution, etc.; and
3. That the use will not adversely affect the health or safety of persons living or working in the vicinity, or be materially detrimental to the public welfare of the City and its residents.

The hearings also affect the amount of time required for project approval, generally adding 30 days or more before entitlement is granted.

Although the use permit requirement could become a constraint to multi-family housing in the future, it has not deterred construction in the past. At no time during the past five years has a use permit been denied to a multi-family project. Existing development standards (setbacks, lot coverage limits, and floor area ratio limits) actually facilitate the approval process. The Planning Commission recently approved a use permit for a 36-unit complex in a single meeting.

Code Enforcement. The City's Building Official also serves as the City's Fire Chief and Code Enforcement Officer. Code enforcement is performed on a complaint-basis. The City receives an average of ten calls per year. The purpose of code enforcement is to abate nuisances and maintain a safe, healthy living environment. As stated above, Section 17.24.080 of the zoning ordinance allows the Planning Commission to waive Medium-Density Residential zoning standards for projects that renovate substandard buildings or create housing for low and moderate-income families. Code Enforcement, therefore, does not significantly impact affordable housing and is not considered a constraint to the development of affordable housing.

Impact of Other Agencies. A number of other agencies, including Monterey County, the Local Agency Formation Commission (LAFCO), the Water Resources Agency, and the Monterey Bay Unified Air Pollution Control District (MBUAPCD), may influence the feasibility and cost of future development in Gonzales.

Monterey County may influence development through its jurisdiction over land use and development in the unincorporated area around Gonzales. County policy currently concentrates growth in the cities and discourages it in unincorporated areas. However, action by the County

over the past 20 years has been to approve residential and commercial development out of Salinas Valley cities. This development in the unincorporated areas, especially commercial development, has made it difficult for Salinas Valley cities to create a strong commercial base with which to develop their cities.

The **Local Agency Formation Commission (LAFCO)** approves annexation and proposed sphere of influence amendments in Monterey County. The agency could constrain growth in Gonzales by denying annexation requests. However, annexation requests in the past that involved the incorporation of land already within the City's Sphere of Influence have been approved without delay.

The **Monterey County Water Resources Agency (MCWRA)** controls the amount of water that can be pumped from the aquifer by Gonzales and other cities in the Salinas Valley. Concerns over salinity encroachment and overdraft of groundwater supplies could affect the agency's willingness to increase permitted pumping levels in the future. The Agency can substantially influence LAFCO's annexation decisions and can also impose moratoria on development within incorporated areas. The MCWRA may also affect housing costs by imposing landscaping requirements (limitations stricter than those already required by the State) on communities in Monterey County.

The **Monterey County Unified Air Pollution Control District (MBUAPCD)** is responsible for developing measures to maintain and improve air quality in the county. Although the District does not have permit authority in Gonzales, it does indirectly influence annexation and development approval proceedings through the determination by the **Association of Monterey Bay Area Governments (AMBAG)** whether a project is consistent with the Air Quality Management Plan. If a proposed project increases local population beyond AMBAG population projections, the project would be deemed inconsistent with the APCD's Air Quality Management Plan. The AMBAG projections for Gonzales are consistent with the Air Quality Management Plan.

3. Economic Constraints

The costs of land and construction have not historically been constraints to development in Gonzales. If anything, these costs have been incentives since they are so much lower than costs in Salinas and the Monterey Bay Area. Land and housing costs in Gonzales are comparable to those in other South County cities. Land costs in 2002 for an improved 6,000 square foot lot are estimated to be between \$25,000 - \$50,000. This range has remained fairly constant over the past seven years. Construction costs (labor and materials) for a new SFD are typically about \$75 per square foot (the same for apartments), approximately five dollars per square foot higher than in 1995.

Changes in the local and regional economy have significantly affected the housing market. Unemployment in Gonzales was about 16.5 percent in 2000, much higher than the State (7 %) or County (8.5%) averages. The closure of Fort Ord had a temporary impact on local housing demand and housing prices. While the housing market in Gonzales has continued to do well, it has still been impacted by the current recession. Current annual home construction is approximately 75 units per year, which is approximately the same number of units constructed during the years 1995-2000. General apprehension about the future of the economy may affect both the ability to buy a home and the decision to buy or continue renting. At the same time, high move-in costs for renters (typically exceeding \$1,000, which would include first and last

month's deposit plus a security deposit) represent a constraint to entry into the rental housing market for lower income households.

4. Availability of Financing and Financial Assistance

From the mid 1990's to the present, prospective homebuyers in Gonzales have benefited from low interest rates and stable home prices. With a 10 percent down payment, a 30-year fixed mortgage, and a 6.5 percent fixed interest rate, the monthly principal and interest payment on a new \$316,000 home in Canyon Creek would be about \$1,800 per month. Property taxes and insurance would add another \$900 per year and utilities would increase the housing cost by approximately \$200 per month. In addition, those who live in Canyon Creek pay an annual \$750 for the maintenance district. An income of \$64,960 - \$77,952 would be required to qualify for the \$1,800 per month mortgage payment.

With a median household income of \$41,582, an interest rate of one or two percent would be required to make the same home affordable. In the current financial climate, rental housing remains the only viable option for most residents. Even in this case, it is difficult to build rental units and charge rents that are affordable to very low-income households without public financial assistance.

Some of the local, state, and federal financial programs that help promote housing affordability are discussed in the Action Program in this Housing Element. These programs include low-interest loans, grants, subsidies, mortgage insurance, direct assistance to renters, assistance to seniors, farmworkers, and other special needs groups, and assistance to first time homebuyers. Assistance programs apply both to new construction and rehabilitation and to both renter and owner-occupied projects.

The future availability of funds from state and federal housing programs is difficult to predict. One constraint faced by the City is the limited staff available to prepare grant applications and monitor the availability of such funds.

5. Potential Infrastructure Constraints

Streets and Highways. The Circulation Element (Gonzales General Plan, 1996) indicates that all City streets and intersections operate at Level of Service C or better, but identifies a potential trouble spot at the Fifth Street/ Highway 101 interchange. The Circulation Element indicates that a second overcrossing of Highway 101 (at C Street) will be needed before the planned residential area south of California Breeze can be developed. However, this overcrossing will likely not be constructed because of the proposed 74 lot 1 Residential Subdivision on the west side of Highway 101, which is in the area where the planned overcrossing would have connected to the west side of the city.

Future development on the east side of Highway 101 and south of California Breeze is likely to occur by 2007 and will meet the fair share housing needs before the horizon of this Housing Element. Future development of this area absent the "C" Street overpass will require substantial upgrades to both the Fifth Street overpass and the Gloria Road/Highway 101 intersection at the south end of town.

Water. Gonzales derives its water from groundwater wells tapping the Salinas Valley Groundwater Basin. Largely due to agricultural water use (85 percent) and to a lesser extent, use of water by the cities in the Salinas Valley (15 percent), there is presently an overdraft

condition in the Salinas Valley water basin. Water is being used at a rate faster than the aquifer is being recharged. In response, Monterey County has enacted water conservation regulations. The Monterey County Water Resources Agency has a program to control saltwater intrusion into the aquifer by limiting the amount of water that can be pumped each year. While the measures are aimed primarily at farmers, they could conceivably limit the drilling of municipal wells in the future and thereby constrain housing production.

As stated in the City of Gonzales Water System Master Plan (Creegan and D'Angelo 2001), the existing water system is supplied by three wells at a 600 to 900 foot depth, which is in the deep aquifers of the Salinas Valley Groundwater Basin. A fourth well has recently been constructed and permitted and is expected to be in full service before the end of 2002. Therefore, sufficient water is available to accommodate residential growth required to meet the City's share of the regional housing need through 2007.

The existing water distribution system consists of approximately 130,000 feet of pipeline that ranges from newly installed 8" to 12" diameter PVC pipeline, to older, 1 1/2 inch to 6 inch diameter pipeline that is being systematically replaced. Most of the older pipeline is cast iron or galvanized steel, with other sections of asbestos cement pipe (ACP). Static pressures are determined by the water levels at the Johnson Canyon Road storage facility. Presently, this facility has a single 1.0 MG tank and the City will augment this with the proposed 2.5 MG tank at the same location. The major constraint on the water distribution system is the condition of 4-inch water mains in the area west of Highway 101, particularly for fire-fighting purposes. This will not constrain growth in new subdivisions but could add to development costs on infill or mixed use sites.

Wastewater. The City currently has inadequate sewer line carrying capacity to handle its daily sewer flows within the Alta Street sewer trunk lines (lines range in width from 6-inch to 10-inch). A 21-inch trunk line carries wastewater from the City limits to the treatment plant, located at the Salinas River about two miles west of town. The problem with the existing sewer main in this area of the city is its inability to adequately accommodate the existing housing, commercial and industrial development in the City and new housing tracts being built on the east side of Highway 101, and the anticipated General Plan buildout in the south east area of the City. The lack of an effective circulation pattern causes insufficient capacity to support planned development in the City.

The current "surcharged" condition (i.e., more sewer than the line can carry) in the sewer lines increases the need for flushing the existing sewer mains to attempt to stay ahead of any potential main blockages. The current surcharge condition also increases the potential for sewage being forced into existing homes and businesses. The sewer flushing (jetting) can force sewage back into buildings if the blockage removal does not occur before the additional water used for flushing reaches the homes under pressure. This has occurred in the City.

The remediation to this problem is to improve the carrying capacity of the sewer system by installing parallel lines in the area to provide efficient and safer sewer trunk line service system to remove the potential public safety and health problems in under-served and inadequate older portions of the City that contain the smaller sewer lines.

By the end of 2003, the City will complete the installation of 4,800 linear feet of new sewer line within the existing street rights-of-way of Gonzales River Road, Alta Street and through a proposed 30-foot wide easement in existing agricultural land, which will run parallel to the existing 10-inch line from Gonzales River Road north to the City's primary sewer interceptor line.

All wastewater will flow by gravity. No pumping stations are required. Though there will be temporary interruption of agricultural operations to accommodate the installation of the line, no farmland will be taken out of production. The project also includes an approximately 110-foot bore-and-jack operation under the railroad tracks and Alta Street to accommodate the 21-inch line.

The Gonzales treatment plant has been operating since 1931 and has been expanded several times over the years. The City of Gonzales' wastewater treatment facilities are located off Gonzales River Road along the Salinas River about 1.7 miles west of the City. The plant and disposal facilities, which include three disposal fields totaling 18 acres, were renovated in 1982.

Wastewater enters the plant via a line that lies approximately 2,500 feet north of Gonzales River Road. The wastewater enters the plant by gravity and is pumped from the headworks to the facultative ponds. The pond effluent then flows by gravity to the disposal fields. The field area is sufficient to accommodate an application rate of two inches per day with one of the three fields out of service. Through the disposal fields, recharge of the groundwater aquifer is occurring. The City anticipates a minimum 50 percent recharge rate associated with its wastewater system (Ibid.).

Most homes and businesses in Gonzales are connected to the treatment plant with the exception of the area south of the winery. The plant currently operates at about 65 percent of its 706,000 per day (gpd) capacity (Carlos Lopez, pers. com., January 2, 2002). In order to accommodate additional growth, the permit for the plant from the Central Coast Region of the Water Quality Control Board must be modified and additional facilities added.

Program 7.4 requires the City to apply for grants to expand its treatment plant. Other General Plan policies encourage the use of impact fees, bond measures or special assessments to facilitate the expansion.

Drainage. Surface flow, detention ponds, ditches, and the Gonzales Slough accommodate storm drainage in Gonzales. Since the City does not have an underground storm drain system, new development is typically required to provide on-site detention ponds. In new subdivisions, this could reduce the amount of area actually available for housing.

6. Other Constraints

Housing production may also be constrained by infrastructure, natural factors (such as flooding and earthquake hazards), and community attitudes.

Infrastructure constraints were discussed in the previous chapter. The primary constraints are the eventual need for new bridges over Highway 101 and, or significant capacity increases to the Fifth Street and Gloria Road bridges, the eventual need to expand the wastewater treatment plant and the need to upgrade water distribution lines. These constraints are addressed in Program 7.4. The school district recently passed a bond for a new middle school, so recent school overcrowding conditions will improve.

Natural factors do not pose significant constraints to development in Gonzales but will influence the direction and character of future growth. The City is located in a flat valley and is surrounded by level open space on all sides. Flood hazards are a concern but this can be mitigated through drainage improvements. Seismic groundshaking is a concern throughout the Salinas Valley and would be most severe in the areas along the Slough because of liquefaction.

New housing is required to be appropriately designed to reflect seismic hazards, possibly resulting in higher housing costs in the most susceptible areas. Some of the best agricultural land in California surrounds Gonzales. However, the General Plan directs residential growth away from these areas, onto the less valuable clay soils to the east and southeast.

A final constraint to housing, particularly higher density housing, are the negative images of lower income housing and apartments held by many Gonzales residents. A survey mailed out by the City in 1993 indicated an overwhelming sentiment against apartments. Unfortunately, some of the existing high-density projects in Gonzales were poorly designed and convey a very negative image of apartment living. Making higher density housing more palatable will be a challenge, but can be made easier through design guidelines and standards for such development. It would be helpful to publicize "real world" examples of attractive higher density development in comparable settings and to require local development to meet similar design standards. It will be important to convey that "affordable" housing is not synonymous with housing that is cheap, poorly constructed, or out of character with the community. The approved 36 units in Canyon Creek includes design standards that will accomplish a desirable set of townhouses.

G. Evaluation of the 1996 Housing Element

Section 65588 of the State Government Code requires each local government to evaluate its housing element as frequently as appropriate to determine: (1) the appropriateness of its goals, objectives, and policies; (2) the effectiveness of the element in attaining the goals and objectives; and (3) the progress of the City in implementing the goals and objectives. This section of the Gonzales Housing Element fulfills this requirement.

1. Adequate Sites

Goal 1: A sufficient supply of developable land to meet the housing needs of all current and future residents of Gonzales.

This remains an accurate statement of Gonzales' housing goals for the future.

Policies

Policy 1.1 Maintain a sufficient amount of vacant, residentially zoned land within the Gonzales Planning Area to support the housing needs identified in this Element; annex and rezone land when necessary to accommodate new housing.

The City annexed and approved development for a 61-acre site to meet the City's housing needs for the previous planning period. Sufficient land exists within the City Sphere of Influence to meet the City's housing needs through 2007 and beyond. This policy still reflects the City's need for developable land within the City limits.

Policy 1.2: Encourage a range of housing types and densities within the Gonzales Planning Area. Use a variety of residential zoning designations so that this range can be achieved.

New development during the planning period included low, medium and high density. This development occurred in all residential zones, including the downtown Mixed-use district.

Policy 1.3: Support the development of vacant, residentially zoned "infill" sites within the existing City limits.

Several infill sites were developed during the planning period. This policy still reflects the City's need to develop infill sites.

Policy 1.4: Coordinate the provision of services, such as water, sewer, police, and fire, to those areas where development is planned, and take steps to ensure that public facilities are made available to meet the expected housing growth.

Public facilities were extended to the newly annexed area of the City. This policy continues to reflect the City's goals.

Policy 1.5: Promote balanced, orderly growth to reduce the need for inefficient service extensions which may ultimately add to the cost of housing.

The 61-acre annexation took place within the Planning Area adjacent to existing services. This policy continues to reflect the City's goals.

Quantified Objective: Designate at least 60 acres of vacant land in the Gonzales planning area for residential development so that the fair share housing needs for the 1991-2000 period can be accommodated. This land should be zoned in a manner which enables the construction of at least 314 new units between January 1, 1994 and July 1, 2000.

The 61-acre annexation yielded 261 units. This represents over half of the 516 units that were constructed Citywide from 1990 to 2000.

2. Development of Affordable Housing

Goal 2: Safe, sanitary, affordable housing opportunities for lower and moderate-income residents of Gonzales.

The City fulfilled its allocation for low-income housing and fell short on fulfilling its allocation for very low and moderate-income housing by approximately half. In order to fulfill its allocation for 2000 - 2007, the City will maintain this goal for the new planning period.

Policies

Policy 2.1 Encourage the construction of new housing that varies sufficiently in cost, design, and tenure to meet the needs of existing and future City residents. Opportunities which provide for Gonzales' share of regional housing needs for all income groups, as defined by the AMBAG Regional Housing Needs Plan, will be provided.

This policy was partially fulfilled and continues to reflect the City's goals. The demand for very-low income housing persists, particularly for larger homes.

Policy 2.2 Promote the balanced distribution of housing that is affordable to lower and moderate-income households rather than concentrating such housing in a single location.

The City amended its Inclusionary Housing Ordinance to require the dispersal of affordable income housing throughout a development. This policy continues to reflect the City's goals.

Policy 2.3 Encourage residential builders and developers to include dwelling units suitable for rent or sale to low and moderate-income households within their projects. However, to maintain the quality of life and small town character of Gonzales, all projects will be required to be consistent with all other General Plan objectives and policies.

The revised Inclusionary Housing Ordinance provides density bonus opportunities to builders who incorporate affordable housing into a development. This policy continues to reflect the City's goals.

Policy 2.4 Use a variety of incentives to encourage affordable housing production, including but not limited to density bonuses, waiver of development fees or dedications, streamlined permitting, and use of public funds to reduce development costs. The City also will facilitate the use of federal or state programs which assist in the development of new housing that is consistent with identified Citywide housing needs and adopted local plans and programs.

As mentioned above, the City provides density bonuses to encourage affordable housing production. The City's Redevelopment Agency has facilitated the construction of affordable housing through federal and state grants and local housing agencies.

Policy 2.5 Support state, federal, regional, and County programs which improve the ability of private and nonprofit builders and developers to more effectively respond to local housing needs; Actions which create a positive, stable climate for housing production will be supported.

The City has received state grants, worked with local nonprofit builders, and provided opportunities for developers to effectively allocate affordable housing within their housing projects. This policy continues to reflect the City's goals.

Policy 2.6 Recognize manufactured housing and mobile homes as a viable alternative to the single-family detached home. Land use regulations should not place undue restrictions on the siting of such homes but should include design standards that ensure that they are compatible in character with the surrounding community.

The City adopted a new zoning ordinance that allows manufactured houses in residential districts. The City will continue to strive to update the zoning ordinance to allow mobile homes in residential zoning districts and adopt design standards for such homes to ensure that they are compatible in character with the surrounding community.

Policy 2.7 In accordance with State law, recognize second units ("in-law" units or "granny flats") as a potentially important component of the affordable housing supply, particularly for elderly renters. Such units shall be permitted in all residential zones, subject to specific compatibility criteria to be established by the City.

The City adopted a new zoning ordinance that allows second units in residential zoning districts. The City will strive to amend the zoning ordinance to relax the development standards in order to encourage the development of such units.

Policy 2.8 Encourage the construction of self-help and owner-built housing as a means of increasing the supply of housing affordable to low- and moderate- income residents.

The City worked with the developer to approve 18 lots in the Canyon Creek subdivision designated for owner-built housing. These types of efforts are on-going. This policy continues to reflect the City's goals.

Policy 2.9 Promote the use of innovative projects (such as planned unit developments) that help increase the number of affordable units. Where necessary to accommodate affordable units, residential density standards should be modified to allow smaller lot sizes, setbacks, and open space requirements. Concepts such as cluster development and zero-lot line housing should be considered, provided that projects meet design criteria which are established by the City and are compatible with the desired character of the community.

The City adopted a new zoning ordinance that incorporated each of these techniques for encouraging the development of affordable housing. Design guidelines, however, have not yet been developed and adopted. Therefore, this policy continues to reflect the City's goals.

Policy 2.10 Encourage projects incorporating affordable residential units above commercial uses within those areas designated "Mixed-use" on the Land Use Diagram.

The City adopted a new zoning ordinance that introduced a new Mixed-Use zoning district to the downtown. Several mixed-use projects have been completed, are underway and/or are in the concept stages. The City will continue to encourage mixed-use projects in the downtown.

Quantified Objective: Production of 95 new units affordable to very low income households, 30 new units affordable to lower-income households, 105 new units affordable to moderate-income households, and 84 units affordable to above moderate-income households between January 1, 1994 and July 1, 2000.

Between 1990 and 2000, Gonzales added 516 new homes to its housing stock. Of the 516, 30 units were multi-family and 48 were section 8 housing. Therefore, Gonzales would have fulfilled some of its very-low income allocation, probably most of its low-income and moderate-income allocation, and all of its above moderate-income allocation.

3. Conservation and Improvement of Existing Housing Stock

Goal 3: Improved quality of the existing housing stock so that a safe, healthy environment is provided for all inhabitants.

This remains an accurate statement of Gonzales' housing goals for the future.

Policies

Policy 3.1 Support the conservation and rehabilitation of the existing housing stock in Gonzales. Public and private efforts that improve existing units while maintaining their affordability will be encouraged.

The City rehabilitated 10 homes through a CDBG block grant. The City will continue to promote programs for housing rehabilitation.

Policy 3.2 Facilitate the use of federal and state programs which assist lower-income homeowners and renters in the maintenance and rehabilitation of their homes.

See above.

Policy 3.3 Enforce local building codes to ensure that housing is safe and sanitary. When substandard dwellings cannot be economically repaired, the City will require their removal and, to the extent feasible, will assist occupants in finding suitable housing elsewhere.

The City continues to enforce the Uniform Building Code.

Policy 3.4 Require provision of replacement housing (or relocation of displaced residents) whenever housing units are demolished as a result of government activity, including redevelopment, road widening, and flood control improvements.

This has not been an issue in the City, but will continue to reflect the City's goals to protect displaced residents.

Policy 3.5 Discourage the conversion of housing to non-residential uses unless replacement housing is provided at a comparable location nearby.

No conversion of housing or residentially zoned land to non-residential uses has occurred.

Policy 3.6 Promote public awareness of the need for housing improvement and neighborhood conservation.

The City publicized its housing rehabilitation program and recruited a number of candidates. This type of publicity will continue and the criteria for program candidates will likely widen.

Policy 3.7 Maintain a current inventory of all substandard housing units within the Planning Area.

The City has lacked the staff to keep the inventory current. However, the City will strive to implement this policy throughout the next planning period.

Quantified Objectives: (1) Pursue funding to rehabilitate at least 25 owner-occupied units (including 5 very low-income units, 15 low-income units, and 5 moderate-income units) and 25 rental units (including 15 very low-income units and 10 low-income units) by July 1, 2000; and (2) Conserve at least affordable 40 very low-income units through July 1, 2000 (through maintenance of the Section 8 voucher program).

No Section 8 housing was lost during the planning period and 48 new Section 8 units were added. Ten units were rehabilitated, including seven owner-occupied units and three rental units.

4. Community Character/ Environmental Quality

Goal 4: Residential development that protects property values, minimizes adverse environmental impacts, and conserves the small-town atmosphere of Gonzales.

This remains an accurate statement of Gonzales' housing goals for the future.

Policies

Policy 4.1 Maintain community design and improvement standards that provide for the development of safe, attractive, functional housing.

The new zoning ordinance includes development standards that promote safe and functional residences. Design standards, however, have not been adopted. This policy, therefore, continues to reflect the City's goals.

Policy 4.2 Manage new residential development in a way that minimizes adverse impacts on natural resources and the overall living environment.

Residential development has been both orderly and sensitive to the environment. CEQA has been applied when appropriate and flood, erosion, drainage, biological, and air quality issues have been addressed. This policy continues to reflect the City's goals.

Policy 4.3 Manage the development of land adjacent to existing residential areas in a way which minimizes adverse impacts on neighborhood character.

Development has been consistent with the General Plan. Environmental review of all new projects takes into consideration the potential impacts of new development on existing neighborhoods. This policy continues to reflect the City's goals.

Policy 4.4 Use zoning and General Plan designations to stabilize neighborhoods and protect the existing housing supply. To this end, low density residential areas that are currently developed with multi-family units should be designated as Medium or High Density Residential on the Land Use Diagram.

Policy 4.5 Support projects and programs that engender community spirit and neighborhood pride.

Policy 4.6 Support the development of integrated-site lower-income housing rather than the development of large self-contained lower income apartment complexes. Programs that require the inclusion of lower income housing within market-rate developments shall be encouraged.

The City's Inclusionary Housing Ordinance was revised to require the dispersal of affordable housing within a new development. This policy continues to reflect the City's goals.

Quantified Objective: Implement Programs 4.1 - 4.4 as described in the Action Program.

Program 4.1 is on-going. Programs 4.2, 4.5 and 4.6 will be carried through the next Action Program. Programs 4.3 and 4.4 have been implemented.

5. Fair Housing

Goal 5: An end to housing discrimination on the basis of race, color, sex, religion, age, ancestry, marital status, children, or disability.

This remains an accurate statement of Gonzales' housing goals for the future.

Policies

Policy 5.1 Support the enforcement of fair housing laws by appropriate State and County agencies.

Policy 5.2 Encourage the development of housing which is affordable to persons who are locally employed, including lower and moderate income persons.

Policy 5.3 Ensure that land development regulations and the General Plan do not have the effect of excluding lower-income groups.

Policy 5.4 Promote public education and awareness regarding lower-income housing needs and fair housing requirements.

Quantified Objective: Implement Programs 5.1 - 5.2 as described in the Action Program.

The City has effectively developed and dispersed public information. Providing support for the Mediation Center of Monterey County and the County Housing Authority is an on-going effort. These policies will continue to reflect the City's goals.

6. Energy and Water Conservation

Goal 6: Reduced housing expenses for energy and water.

This remains an accurate statement of Gonzales' housing goals for the future.

Policies

Policy 6.1 Support state, federal, and utility industry programs which promote energy conservation and which assist homeowners and renters in reducing energy costs.

The City has been and will continue to support such programs. This policy continues to reflect the City's goals.

Policy 6.2 Promote energy efficiency in existing and new housing. Zoning, subdivision, and building code regulations should encourage energy efficient architectural design and site planning.

This policy continues to reflect the City's goals. The City will continue to explore such amendments to the zoning, subdivision, and building code regulations.

Policy 6.3 Promote public awareness of the benefits of energy conservation.

This policy continues to reflect the City's goals. The City will continue to promote such public awareness.

Policy 6.4 Promote the use of water-saving devices, drought-tolerant landscaping, and other water conservation measures to achieve a reduction in home water bills for residential customers.

The City has promoted the use of water-saving devices and drought-tolerant landscaping. This policy continues to reflect the City's goals.

Policy 6.5 Encourage energy conservation through land use and transportation policies. Such policies may include encouraging housing construction close to planned employment and shopping centers (to reduce auto use and gasoline consumption), and requiring sidewalks and bike lanes in new developments.

By incorporating a mixed-use district in the downtown area, the City is promoting the development of residential uses close to shopping centers. Sidewalks and bike lanes are incorporated into new development areas, as required by the General Plan. Gonzales also initiated a fixed-route bus service that currently exists in the South County area.

Quantified Objective: Work with PG&E to achieve energy retrofitting of 10 homes affordable to low and very low-income households by 2000 and to achieve a 50 percent reduction in home energy use in these units. As required by State law, all newly constructed housing units and additions should be constructed according to Title 24 specifications for energy efficiency.

Ten homes were retrofitted, which were affordable to low and very low-income households. The City will continue to seek opportunities for retrofitting projects.

7. Removal of Constraints

Goal 7: Fewer governmental constraints for constructing or rehabilitating housing.

This remains an accurate statement of Gonzales' housing goals for the future.

Policies

Policy 7.1 Ensure that site improvement standards, development review procedures, and development fees do not form a constraint to the development, conservation, and rehabilitation of housing.

Project review and approval processes have been streamlined since the Planning Commission has been named the final approval body for use permits for multi-family developments. Conservation and rehabilitation of existing units has also been successful. This policy continues to reflect the City's goals.

Policy 7.2 Minimize excessive permitting requirements and processing delays so that projects can be approved in a timely manner.

City planning staff includes a full-time planner and a part-time contract planner. Permits have been processed in a more time-efficient manner over the past two years than they have in the past.

Policy 7.3 Allow certain development standards to be relaxed where necessary and appropriate and where there is no threat to the health, safety, and welfare of the City, for development proposals that would provide affordable housing (see Action Program 7.411

The City has not had the opportunity to address this policy. However, this policy continues to reflect the City's goals.

Policy 7.4 Discourage excessive environmental review requirements and delays for projects that are otherwise consistent with the General Plan. The use of Focused EIRs, as defined by CEQA, should be encouraged.

The City has supported the use of mitigated negative declarations for development projects. These documents have tiered off the General Plan to the extent that is appropriate for each project. This policy continues to reflect the City's goals.

Quantified Objectives: Maintain processing/turn-around time and building fees for affordable units at or below their current levels through 2000 (affordable units require less than 30 percent of gross income for families of various sizes in Monterey County). Implement Programs 7.1 -7.6 as described in the Action Program.

Gonzales Staff is limited, however, the City has been efficient in processing permits for affordable housing.

8. Special Needs Populations

Goal 8: Better housing opportunities for seniors, disabled persons, large families, single parent families, farmworkers, and persons in need of emergency shelter.

This remains an accurate statement of Gonzales' housing goals for the future.

Policies

Policy 8.1 Encourage the use of state and federal housing assistance programs as they become available to assist groups with special housing needs.

The City has not had the opportunity to address this policy. However, this policy continues to reflect the City's goals.

Policy 8.2 Encourage the development of housing for special needs groups, including seniors, disabled persons, large families, single parent families, farmworkers, and those in need of emergency shelter or transitional housing.

The City adopted a new zoning ordinance that allows boardinghouses in the Medium Density zoning district. The City has not had the opportunity to address other aspects of this policy. However, this policy continues to reflect the City's goals and will be carried over into the next planning period.

Policy 8.3 Cooperate with local nonprofit and public agencies providing services for persons in need of emergency shelter.

The City has not had the opportunity to address this policy. However, this policy continues to reflect the City's goals.

Policy 8.4 Encourage the development of housing which incorporates social services for particular populations, such as day care for single mothers, and health care or recreational activities for seniors.

The City adopted a new zoning ordinance that allows second units and mixed-use development and creative site planning both in the Mixed-Use and Planned Unit Development districts.

Quantified Objectives: Between January 1, 1994 and July 1, 2000: (1) Produce 15 new units for lower-income seniors or disabled households, either in second units or in "mixed-use" development in the downtown area, (2) Produce 35 new units for lower- and moderate-income large families, (3) Produce 10 new units for farmworkers, possibly by redeveloping under-used second floors in downtown commercial buildings, and (4) Produce 10 new rental units for single parent households."

Between 1990 and 2000, Gonzales added 456 new homes to its housing stock. Of the 456, 30 units were multi-family and 48 were section 8 housing. Though these units are certainly available to low-income seniors, disabled households, large families, farmworkers, and single-parent households, they are not restricted to such residents. Regardless, this policy will continue to reflect the City's goals.

9. Coordination and Monitoring

Goal 9: Coordination and monitoring of local affordable housing efforts with other cities, the County, and nonprofits.

This remains an accurate statement of Gonzales' housing goals for the future.

Policies

Policy 9.1 Monitor local progress towards the achievement of the objectives of this Housing Element.

The City has regularly monitored its progress towards the achievement of the Housing Element. However, this policy continues to reflect the City's goals.

Policy 9.2 Coordinate local housing efforts with Monterey County, other South County cities, and local nonprofit developers of affordable housing.

The City has had the opportunity to work with CHISPA in their efforts to provide affordable housing to Gonzales citizens. This policy continues to reflect the City's goals.

Quantified Objectives: Implement Programs 9.1 - 9.5 as described in the Action Program.

Staff time has not allowed for the complete implementation of programs 9.1-9.5

1. Programs to Ensure that Adequate Sites are Provided

1.1: Annexation and Rezoning. The Land Use Element of the General Plan designates 252 acres of vacant land for Low Density Residential development and 25 acres of vacant land for Medium and High Density development. Earlier chapters of this Element determined that approximately 90 acres of this area would be available for residential use before July 1, 2000. Only about 31 acres of this land is within the current (1994) City limits, including 25 acres under construction with single-family homes in California Breeze subdivision. Another 3.6 acres in this total are zoned for Light Manufacturing and need to be reclassified for residential use. The City will work with LAFCO to expand its Sphere of Influence and will annex California Breeze Phases 2 and 3 before 2000. This 59-acre area should be zoned for single-family housing. The development should incorporate homeownership opportunities for lower and moderate-income households. The City will cooperate with the project proponent by granting consultation meetings and by working with the proponent in providing City services to the site. The City will continue to support the phasing of development within this area to avoid rapid surges in local population growth.

Following adoption of the new General Plan, the City will rezone the northerly 3.6 acres of the Fifth/Fanoe site from Light Manufacturing to Multi-family Residential to enable the development of medium density rental units on the property. The City will encourage the development of this site with senior housing.

Responsible Agencies:	City Manager (lead), Planning Department, Planning Commission, City Council
Timing:	Annexation of California Breeze Phase III by July 1997; rezoning of the Fifth/Fanoe site by January 1997
Financing:	Staff time (General Fund)

In 1997, the City annexed the California Breeze Phase III property. The development of Phase III is currently nearing completion with the construction of 36 multi-family units. The City no longer plans to develop the property at Fifth and Fanoe as Residential. The City has acquired this property for park use.

1.2: Creation of Mixed-use Housing Opportunities. Based on proposed zoning designations, the 90 acres identified in Action 1.1 will still be insufficient to meet the City's fair share of the regional housing need by 2000. Action 1.2 proposes that the City create additional opportunities for very low-income units by creating a Mixed-use zoning district in the downtown area. The district would allow rental apartments on the upper floors of commercial buildings. This action, combined with Program 2.5, could potentially eliminate the shortfall of very low-income housing units projected by 2000.

Responsible Agencies:	City Manager (lead), Planning Department, Planning Commission, City Council
Timing:	Revision of the zoning ordinance and map by June 1998
Financing:	Staff time (General Fund)

The City created a downtown Mixed-use District that allows rental apartments on the upper floors of commercial buildings.

1.3: Extension of City Services. Gonzales will consider allocating funds for a citywide plan for public services addressing long-range water, sewer, drainage, solid waste, police, fire, and

school capacities and the need for improvements to serve areas designated for new development. A variety of options for extending services to new development areas should be examined, including the formation of assessment districts, federal and state grants, joint powers agreements, and the issuance of municipal bonds.

Responsible Agencies: Public Works Department (lead), City Manager, Planning Department, Planning Commission, City Council
Timing: Complete Plan for public service improvements by January 1, 1997; apply for funding on an on-going basis
Financing: General Fund allocation for the plan, CDBG and FmHA water and sewer loan/grant funds for improvements

The City has initiated master planning and has begun the preparation of a public services master plan that addresses these issues. This program will carry forward for the next planning period.

1.4: Maintenance of Land Supply. The City Council will not approve the rezoning of residentially zoned sites to allow non-residential uses unless: (1) the change is required for consistency with the new General Plan, or (2) the Council can make a finding that sufficient residential land exists elsewhere in Gonzales to meet the construction need identified by this Element.

Responsible Agencies: City Council (lead), Planning Commission, City Manager, Planning Department
Timing: On-going
Financing: Not required

The City Council has not approved any such rezoning.

1.5: Annual Report. As staffing and funding allows, the City will produce an annual report indicating the amount and location of vacant, residentially zoned land within the Gonzales planning area. The inventory will be made available to nonprofit housing developers as well as other interested parties requesting it.

Responsible Agencies: Planning Department (lead), Building Department
Timing: On-going annual effort, beginning in 1996
Financing: Staff time (General Fund)

The City has filed a number of annual reports as staff time and funding allows. This program will carry forward for the next planning period.

1.6: Protection of Urban Growth Area. The City will work with the County to ensure that residential development remains feasible on parcels within the City's ultimate urban growth boundary. The City will oppose actions that prevent urban development from occurring within its Planning Area, including the subdivision of agricultural land into "ranchettes" or parcels smaller than 10 acres. The City will also oppose the use of agricultural easements to preclude development of the lands that it has designated for urban growth in its Land Use Diagram.

Responsible Agencies: City Manager (lead), Planning Department, Planning Commission, City Council
Timing: On-going

Financing: Staff time (General Fund)

The City has not had the opportunity to implement this program. No such proposals have arisen. This program will carry forward for the next planning period.

1.7: Infill Development. The City will continue to investigate ways to encourage residential "infill" development on vacant lots in older sections of town. Staff will prepare a brief report to the City Council on the current supply of vacant and underutilized land in Gonzales, including the second floors of downtown buildings, underutilized commercial sites, and lots in the Multi-family district which are not developed to their fullest potential.

Responsible Agencies: Planning Department (lead), City Manager, City Council
Timing: Prepare report for Council consideration by July, 1997
Financing: Staff time (General Fund)

The City has not had the opportunity to implement this program. This program will carry forward for the next planning period.

1.8 New Residential Zone. The City will broaden the range of residential densities within its boundaries by adding a High Density Multi-family Residential zone to its zoning ordinance. The existing Multi-family zone will be applied to areas designated "Medium Density Residential" in the General Plan and will allow densities up to 12 units per acre. By 1998, it is projected that about 40 acres will be zoned as such, including 5.6 acres of vacant land (with the potential for 58 units) and 35 acres of developed land. By 1998, about 2 acres will be rezoned High Density Multi-family, all of which is developed. In the future, the High Density Multi-family zone will correspond to areas designated "High Density Residential" in the General Plan and will allow densities up to 24 units per acre.

Responsible Agencies: Planning Department (lead), City Manager, City Attorney, Planning Commission, City Council
Timing: Complete comprehensive revision of the zoning ordinance, including creation of new High Density Multi-family zone, by June 1998
Financing: Staff time (General Fund)

The City created a Medium-Density Residential District that allows densities from 8 – 24 units per acre and applies to areas designated "Medium and High Density Residential" in the General Plan.

2. Programs Providing Housing Opportunities for Lower and Moderate Income Households

2.1: Administrative and Technical Assistance. The City will provide administrative and technical assistance to private or nonprofit housing development corporations interested in developing housing for persons with lower and moderate-incomes. Where appropriate, the City will support nonprofit and public agency applications for state and federal loan and grant monies to initiate the construction of affordable housing.

Responsible Agencies: All City Departments (lead: City Manager's Office)
Timing: On-going
Financing: Staff time (General Fund)

The City has assisted CHISPA with the development of affordable housing. The City worked with the Housing Authority to prepare a grant that was received for housing rehabilitation. This program will carry forward for the next planning period.

2.2: Manufactured Housing. The City will support the use of manufactured housing and mobile homes as a more affordable alternative to conventional single-family homes. The Gonzales zoning ordinance will be amended to conform to State Law (Chapters 1571 and 1572, Statutes of 1988) with manufactured housing on permanent foundations permitted on any lot in a Single-family or Multi-family Residential zone. Such housing will still need to comply with all other provisions for dwellings in these zones. Prior to amendment of the zoning ordinance, the City will consider developing site and architectural review guidelines for manufactured housing which ensure that such housing is attractive and compatible with community character. By State law, these guidelines may not be more restrictive than those that apply to conventional homes in the same zone.

Responsible Agencies:	City Manager (lead), Planning Department, City Attorney, Planning Commission, City Council
Timing:	Complete comprehensive revision of the zoning ordinance, including new provisions for manufactured housing, by June 1998
Financing:	Staff time (General Fund)

The City adopted a new zoning ordinance that allows manufactured homes on a permanent foundation in residential districts. Currently, mobile homes are only allowed in mobile home parks. The City will consider allowing mobile homes in all residential districts during the next planning period.

2.3: Density Bonuses. As required by State law, the City will amend the Gonzales zoning ordinance to allow density bonuses. A density bonus of 25 percent will be made available to developers of projects of five units or more which designate: (a) at least 20 percent of the units for lower income households; OR (b) 10 percent of the units for very low-income households; OR (c) 50 percent of the units for seniors (Government Code Section 65915). If State density bonus requirements change before the City's zoning ordinance update is completed, the City will incorporate the appropriate successor program in its ordinance.

Responsible Agencies:	City Manager (lead), Planning Department, City Attorney, Planning Commission, City Council
Timing:	Complete comprehensive revision of the zoning ordinance, including provisions for density bonuses, by June 1998
Financing:	Staff time (General Fund)

The City adopted a new zoning ordinance that includes an Inclusionary Housing Ordinance that allows for density bonuses as described above.

2.4: Inclusionary Housing. The City will amend the Gonzales zoning ordinance to codify the current inclusionary housing policy and to require that affordable units are integrated within project boundaries for new developments. The current policy requires single-family residential subdivisions to set aside at least 10 percent of the new units for housing affordable to lower income households. In amending the zoning ordinance, consideration will be given to raising the requirement to 20 percent (possibly earmarking the additional 10 percent for "moderate-

income" households and to collecting an "in-lieu fee" for projects of 5 units or less which do not incorporate low or moderate-income units.

To encourage distribution of lower income housing throughout the community, project proponents will be required to meet their inclusionary requirements within their project boundaries rather than on sites elsewhere in the City.

Responsible Agencies: City Attorney (lead), Planning Department, City Manager, Planning Commission, City Council
Timing: Complete comprehensive revision of the zoning ordinance, including provisions for inclusionary housing, by June 1998
Financing: Staff time (General Fund)

The revised Inclusionary Housing Ordinance provides incentive for developers to include affordable housing in a development of five or more units by providing a 25 percent density bonus. Affordable housing must be provided as 20 percent low or 10 percent very low-income housing. The ordinance requires that the inclusionary housing be dispersed throughout the development. A new program will require that the City consider amending the ordinance to require that a development include housing affordable to very low, low, and moderate income households (ten percent of each).

2.5: Accessory Units. In accordance with State Law, the City will amend the Gonzales zoning ordinance to include provisions for accessory (or "second") units in the Single-family and Multi-family Residential zones. Such units will be required to meet dimensional, area, parking, and occupancy standards to be developed by the City.

Responsible Agencies: City Manager (lead), Planning Department, City Attorney, Planning Commission, City Council
Timing: Complete comprehensive revision of the zoning ordinance, including provisions for accessory units, by June 1998
Financing: Staff time (General Fund)

The City's adopted a new zoning ordinance that allows second units in the residential district on lots that are a minimum of 8,000 square feet in size. A new program will require that the City consider reducing the minimum lot size in order to encourage the development of such units.

2.6 Smaller Lot Sizes. The City shall consider one or more zoning ordinance amendments so that a greater diversity of residential development can be accommodated. Possibilities to be considered may include: (1) reduction of the minimum lot size in the Single-family zone to 5,000 square feet, subject to urban design criteria addressing parking, noise, aesthetics, landscaping, etc.; (2) allowance of "zero lot line" developments subject to similar criteria; (3) reduction of the street frontage requirement for new lots from 60 to 50 feet; (4) splitting the Single-family district into two zones, one maintaining the 6,000 square foot minimum and another permitting smaller lots but still limiting uses to single-family homes.

Responsible Agencies: Planning Department (lead), City Manager, Public Works Department, Planning Commission, City Council
Timing: Staff report on possible zoning options by December 1996; to be included as part of the work plan for the comprehensive zoning ordinance revision.

Financing: Staff time (General Fund, CDBG Planning and Technical Assistance Funds, if possible)

The City adopted a new zoning ordinance that incorporates these changes.

2.7 PUD Designation. The City will consider a zoning ordinance amendment that allows a Planned Unit Development (PUD) Designation for sites that are four acres or larger. Properties receiving this designation would be provided with greater flexibility in residential design and more creative utilization of land.

Responsible Agencies: Planning Department (lead), City Manager, Public Works Department, Planning Commission, City Council
Timing: Staff report on possible PUD designation by January 1, 1997
Financing: Staff time (General Fund, CDBG Planning and Technical Assistance Funds, if possible)

The City adopted a new zoning ordinance that incorporates these changes.

2.8 Mixed-use Development. The City will encourage the development of housing over existing or new commercial space in the area designated "Mixed-use" on the Land Use Diagram. Priority will be given to such housing when it consists of rental units that are affordable to lower income households, particularly senior or disabled households.

Responsible Agencies: Planning Department (lead), Planning Commission
Timing: Complete comprehensive revision of the zoning ordinance, including provisions for mixed-use, by June 1998
Funding: None required

The City adopted a new zoning ordinance that incorporates these changes. The City will continue to encourage and support residential development in the downtown.

2.9: Additional Incentives. The City will explore the feasibility of additional incentives to developers of projects containing units affordable to lower and moderate-income families. These incentives would generally apply only to projects which deed restrict 25 percent of the housing for lower and moderate-income households. Incentives to be considered will include (1) fast track or priority processing to reduce developer holding costs; (2) reduction of certain processing and permitting fees, including use permit fees, rezoning fees, preliminary and tentative map fees, final map fees, general plan amendment and processing fees, and impact fees; and (3) flexibility on setbacks and other development standards such as off-street parking for senior housing.

Responsible Agencies: City Manager (lead), Planning Department, Public Works Department, Building Official, Planning Commission, City Council
Timing: Create a package of additional incentives as part of the comprehensive zoning ordinance revision, to be completed by June 1998
Financing: Staff time (General Fund)

This has been incorporated into revisions to the Inclusionary Housing ordinance addressed above.

2.10: Mortgage Revenue Bonds. The City will support the Monterey County Housing Authority in any future issue of Mortgage Revenue Bonds (MRBs). Such bonds provide low cost, tax-exempt financing to developers who make a portion of the units in their projects available to low and moderate-income homebuyers.

Responsible Agencies: Monterey County Housing Authority/Private Developers
Timing: Depends on availability of funds, developer interest, and market conditions
Funding: No cost to City

2.11: Mortgage Credit Certificates. The City will support the future use of Mortgage Credit Certificates (MCCs) by the Monterey County Housing Authority. MCCs are used in lieu of MRBs as a means of increasing home ownership opportunities for moderate-income households. The MCC entitles first-time buyers with incomes less than 115 % of the County median to reduce their federal taxes by an amount above the usual interest deduction. This allows homebuyers to use more of their incomes on mortgage payments, increasing their effective buying power.

Responsible Agencies: Monterey County Housing Authority
Timing: Depends on actions taken by Monterey County
Funding: No Cost to City

The City has not had the opportunity to implement this program. This program will carry forward for the next planning period.

2.12: First-Time Homebuyer Programs. The City will encourage developers to apply for financing through federal and state programs which assist first time homebuyers. These include the FmHA 502 interest subsidy program and the California Housing Finance Agency home mortgage program. Both programs provide low-interest loans to low and moderate-income households purchasing newly constructed homes. The interest rate varies according to the applicant's adjusted family income.

Responsible Agencies: City Manager (lead), City Council, private sector
Timing: On-going
Funding: Farmers Home Administration 502 program, CHFA low interest loans

The City has submitted an application to implement this program. This program will carry forward for the next planning period.

2.13: Affordable Rental Housing Construction. The City will encourage developers to apply for state and federal financial assistance to construct rental housing that is affordable to low and moderate-income families. Such assistance may include low interest loans, grants, and rent subsidies, and is available through the California Housing Finance Agency and the Farmers Home Administration. The achievement of this objective depends on the availability of funding through these programs.

Responsible Agencies: City Manager (lead), City Council, private sector
Timing: On-going
Funding: FmHA 515 Rental Housing Construction CHFA Rental Housing Construction

The City has not had the opportunity to implement this program. This program will carry forward for the next planning period.

2.14: Rental Subsidies. The City will support the Monterey County Housing Authority's implementation of the Section 8 housing voucher program. Section 8 is a tenant-based assistance program that provides a subsidy to a landlord based on the difference between 30 percent of the tenant's income and market rent for the unit. Gonzales will support the MCHA's attempts to secure additional funding for the Section 8 program in the City. The City will also support the use of the FmHA Section 521 rent subsidy program for families and seniors living in FmHA-funded projects.

Responsible Agencies: Monterey County Housing Authority
Timing: On-going
Funding: HUD Section 8 Program, FmHA Section 521

The City has supported the addition of 43 Section 8 housing units. This program will carry forward for the next planning period.

2.15: Predevelopment Loans. The City will support the use of programs that assist nonprofit developers in covering front end costs for affordable housing developments. Such programs include the State Predevelopment Loan Program that provides low-interest loans to nonprofit builders for the purchase of land, site preparation, construction of infrastructure, and payment of architectural and engineering fees.

The City has not had the opportunity to implement this program. This program will carry forward for the next planning period.

Responsible Agencies: Private (nonprofit) sector (lead), with administrative support from Planning Department, Public Works Department, and City Manager
Timing: On-going
Funding: California Predevelopment Loan Program

2.16: Self-Help Housing. The City will support the use of state and federal "self-help" housing programs which enable low and moderate-income homeowners to build their own homes. At the State level, the California Self-Help Housing Program provides technical assistance grants to nonprofits and local governments who provide technical assistance, loan counseling, and mortgage assistance to lower and moderate-income homebuyers. At the Federal level, FmHA 523 funds provide similar grants, while FmHA 524 funds may be used to cover front-end costs for self-help projects.

Responsible Agencies: Nonprofit developers (lead), with administrative support provided by Planning Department, Public Works Department, and City Manager
Timing: On-going
Funding: California Self Help Program, FmHA 523/524

A portion of the CHISPA housing qualifies as "self-help" housing. This program will carry forward for the next planning period.

2.17: Additional Programs. The City will support new housing assistance programs which may become available in the future if they appear to address the housing needs identified in this Element. If such programs become available, the City should provide notification through the local media to Gonzales residents who may be eligible for assistance.

Responsible Agencies: City Manager
Timing: On-going
Funding: Staff time (General Fund)

The City has not had the opportunity to implement this program. This program will carry forward for the next planning period.

3. Programs to Conserve and Improve Existing Housing

3.1 Code Enforcement. The City will continue to use its property inspection and code enforcement authority to abate nuisances and maintain a safe, healthy living environment. Enforcement will continue to be conducted on a complaint-responsive basis.

Responsible Agencies: Building Department (lead), County Health Department, Public Works Department
Timing: On-going
Funding: Staff time (Existing program; no additional cost)

The City's building official also serves as the City's Code Enforcement officer. Code violations are addressed on a compliant basis. *This program will carry forward for the next planning period.*

3.2: Building Inspection. Pursuant to State housing law, the City will continue to require that all housing units being built, rehabilitated, expanded or relocated be inspected by the Building Department.

The City's building official routinely issues building permits and conducts inspections to ensure compliance with the Uniform Building Code.

Responsible Agencies: Building Department
Timing: On-going
Funding: Permit/ impact fees

3.3: Rental to Owner Conversions. The City will discourage the conversion of rental housing to owner occupied housing if the citywide rental vacancy rate is below five percent. As funding and staffing allow, the Planning Department will estimate the vacancy rate once a year based on a survey of rental units at major apartment complexes in the City.

Responsible Agencies: Planning Department
Timing: Vacancy rate estimate to be determined annually, during period of peak seasonal labor force, beginning in 1997
Funding: Staff time (General Fund)

The City has not had the opportunity to implement this program. This program will carry forward for the next planning period.

3.4 Rental Rehabilitation. The City will support state and federal programs which assist in the rehabilitation of rental housing units. First priority will be for rehabilitating rental units violating health and safety codes. Possible programs include:

- (a) *California Housing Rehabilitation Program for Renters (CHRP-R)*, which provides low interest loans for the preservation and rehabilitation of unreinforced masonry apartments and the rehabilitation or acquisition of substandard lower income rental housing to bring them into compliance with the State's Health and Safety Code;
- (b) *State HCD Deferred Payment Rehabilitation Loan Program (DPRLP)*, which provides low interest loans to the owners of existing rental homes and apartments for the purpose of rehabilitating these units. Owners are required to maintain the rents at levels that continue to be affordable to lower and moderate-income households after the work is completed;
- (c) *CDBG funds* for housing rehabilitation; and
- (d) *Section 8 Moderate Rehabilitation Program*, which guarantees Section 8 payments to the owner of developments that are being rehabilitated, provided that the tenants are not displaced during rehabilitation.

Responsible Agencies:	Building Department (CDBG rental rehab); Monterey County Housing Authority (CHRP-R, DPRLP, Section 8)
Timing:	Applications for funding are submitted by the County on an on-going basis
Funding:	Staff time required for administration; CHRP-R, DPRLP, HUD Section 8, CDBG for construction

The City received a CDBG grant for housing rehabilitation (both rental and owner-occupied). This program will carry forward for the next planning period.

3.5: Rehabilitation Loans for Owner-Occupied Units. The City will support local participation in state and federal programs which provide low interest loans and grants for the rehabilitation of owner-occupied homes. These programs include:

- (a) *California Housing Rehabilitation Program for Owners (CHRP-O)*, which provides low-interest deferred payment loans up to \$30,000 for rehabilitation of single-family homes occupied by lower income households;
- b) *CDBG fund* for rehabilitating housing units occupied by lower income households; and
- c) *Farmers Home Administration 504*, which allocates home repair loans up to \$7,500 at one percent interest to very low-income families for health- and safety-related repairs.

Responsible Agencies:	Monterey County Housing Authority for CHRP-O loans, City Manager (lead), Planning Department, Finance Department, City Council for FmHA 504 loans and CDBG grants
Timing:	Apply for FmHA 504 and CDBG funds on an on-going basis
Funding:	Staff time for applications; funds from CHRP-O, FmHA 504, and CDBG for rehabilitation work

The City received a CDBG grant for housing rehabilitation (both rental and owner-occupied). This program will carry forward for the next planning period.

3.6: Enforcement of Labor Camp Standards. The City will support the Monterey County Environmental Health Department as needed in its enforcement of the State's Employee Housing Act (Title 25) within Gonzales. This Act applies minimum health and safety standards to employer-owned labor camps with five or more employees. There are two such camps located within the City.

Responsible Agencies: Building Department (lead), Monterey County Environmental Health Department
Timing: On-going program; occupancy permits renewed annually
Funding: Staff time (General Fund)

The City has not had the opportunity to implement this program. This program will carry forward for the next planning period.

3.7: Additional Programs. The City Manager's office will continue to confer with federal, state, and local officials to monitor the availability of housing assistance programs, tax credits, and other opportunities for housing rehabilitation.

Responsible Agencies: City Manager
Timing: On-going
Funding: Staff time (General Fund)

The City Manager's office implements this program on an on-going basis. This program will carry forward for the next planning period.

4. Programs to Protect Community Character

4.1: Housing Preservation. The City will continue to promote the preservation and rehabilitation of older homes in Gonzales. Exterior alterations and additions to single-family homes will be reviewed to ensure that the architectural integrity of the structure is maintained. Demolition of older homes will be discouraged unless: (1) the home poses a health or safety hazard and cannot be economically restored, or (2) the replacement housing will provide additional needed dwelling units and will be architecturally compatible with the neighborhood.

Responsible Agencies: Planning Department (lead), Building Department, Gonzales Historical Society
Timing: On-going
Funding: Staff time (General Fund)

The City's older residential neighborhoods fall under the Low Density Residential Downtown Zoning District (R-1D). The purpose of this district is to protect historic residences and the integrity of the neighborhood character. All new construction in this zoning district is reviewed for compatibility with surrounding structures. This program will carry forward for the next planning period.

4.2: Residential Design Guidelines. The City will consider adopting residential design guidelines which, among other things, would address ways to achieve densities of 8-12 units per acre using townhomes, manufactured housing/ mobile homes, cottages, duplexes, triplexes,

and fourplexes. The intent of the guidelines would be to preserve the single-family character of Gonzales while creating new opportunities for low and very low-income housing. Creative solutions that are compatible with the existing character of Gonzales will be encouraged. These could include small rental cottages on large lots (similar to the development on "C" Street and South Alta), duplexes and triplexes that are designed to resemble single-family homes, and well-landscaped mobile home parks.

Because funds to develop design guidelines are limited, the City will explore the possibility of a no-cost cooperative effort with a nearby college or university Architecture Department (through a classroom "studio"), or the use of a design competition to generate creative solutions. If this proves infeasible, the City will obtain design guidelines from other cities facing similar issues and will adapt these guidelines to reflect local conditions.

Responsible Agencies: Planning Department (lead), City Manager, Planning Commission, City Council
Timing: To be tied in with zoning ordinance revision and completed by June 1998
Funding: Staff time (General Fund)

The City has not had the opportunity to implement this program. This program will carry forward for the next planning period.

4.3: General Plan Update. The City will adopt a new General Plan by July 1996, including this Element and all others mandated by the State. Each element will incorporate policies which maintain the quality of life and protect the character of the City from growth-induced changes. In accordance with State law, the City will review the content of its General Plan on a yearly basis and will update the Plan from time to time as conditions and issues change.

Responsible Agencies: Planning Department (lead), City Manager, Planning Commission, City Council
Timing: On-going
Funding: Staff and consultant time (General Fund)

The City adopted its General Plan in 1996. Amendments have been and will continue to be adopted as described above. A General Plan Update is planned for the next fiscal year.

4.4: Rezoning. Following the adoption of the new General Plan, the City will update its zoning ordinance and zoning map to ensure consistency. Areas designated "Low Density Residential" in the Plan will generally be zoned "Single-family," areas designated "Medium Density Residential" will generally be zoned "Medium-Density Multi-family," and areas designated "High Density Residential" will generally be zoned "High Density Multi-family."

Responsible Agencies: Planning Department (lead), City Manager, Planning Commission, City Council
Timing: Complete comprehensive revision of the zoning ordinance and map by June 1998
Funding: Staff and consultant time (General Fund)

As described previously, the City adopted a new zoning ordinance and map that assigns areas labeled Medium- and High-Density Residential to a Medium-Density Residential zoning district. This new zoning district allows development at densities from 8 – 24 units per acre.

5. Programs Promoting Fair Housing

5.1: Public Information. The City will promote education and awareness of fair housing laws by making public information on these laws available. Bilingual fair housing materials will be posted in prominent locations at City Hall, the Post Office, local churches, the Gonzales Senior Center and Community Room, the Gonzales Public Library, and if possible, local grocery stores. The City will also explore placement of an informational flyer on fair housing complaints at these locations.

Responsible Agencies: City Clerk (lead), Planning Department
Timing: Post materials by December 1996
Funding: Staff time (General Fund)

The City has provided public information in association with CHISPA, including flyers, advertisements, etc., as programs are implemented. This program will carry forward for the next planning period.

5.2 Discrimination Complaints. The City will direct residents with discrimination complaints to the State Department of Fair Employment and Housing. The City will also support the Mediation Center of Monterey County and the County Housing Authority if they are requested to address any future discrimination complaints in Gonzales.

Responsible Agencies: City Clerk (lead)
Timing: On-going
Funding: None required

The City makes such referrals as such situations arise. This program will carry forward for the next planning period.

6. Programs Promoting Energy and Water Conservation

6.1: Title 24. The City will continue to require compliance with the Title 24 energy efficiency standards established by the California Energy Commission. Adhering to these standards can reduce energy costs in new construction by as much as 50 percent. The standards are state-mandated and are already being followed by the City; no further local code changes are required.

Responsible Agencies: Building Department
Timing: On-going
Funding: Building Permit fees (on-going program)

The effort has been implemented on an on-going basis. This program will carry forward for the next planning period.

6.2: Property Transfer Inspections. If staff resources become available, the City will consider adopting a property inspection ordinance which would require that all dwelling units be inspected for compliance with Title 24 regulations at the time they are sold. Sellers of units which lack the recommended energy-efficient features would be required to cover the cost of upgrading the units prior to sale.

Responsible Agencies: Building Department (lead), City Manager, City Council
Timing: Prepare Staff Report outlining the provisions and logistics of such an ordinance by January 1997
Funding: Property Inspection Fee

The City has not had the opportunity to implement this program. This program will carry forward for the next planning period.

6.3: Amendments to Subdivision Regulations. The City will consider amending the Gonzales Subdivision Regulations to include provisions for energy conserving design. These provisions could include landscaping requirements for parking lots, allowing narrower streets with tree plantings, and site planning criteria which achieve optimal solar access. The City will also encourage the use of energy-efficient appliances, heating, and air conditioning systems within new homes and apartments.

Responsible Agencies: Planning Department (lead), Building Department, City Manager, City Council
Timing: Perform as part of the comprehensive zoning ordinance revision, to be completed by June 1998
Funding: Staff time (General Fund)

The City has not had the opportunity to implement this program. This program will carry forward for the next planning period.

6.4: Support of PG&E Programs. The City will continue to support Pacific Gas and Electric programs which reduce residential energy costs. These programs include energy audits and weatherization of existing homes, rebates for energy efficiency upgrades, and reduced rates for seniors and lower income households.

Responsible Agencies: Building Department (lead), Public Works Department
Timing: On-going
Funding: Private sector (PG&E)

The City supports such programs on an on-going basis. This program will carry forward for the next planning period.

6.5: Water Conservation. The City will continue to promote ways to reduce monthly home water bills. Such measures already include: (a) requiring new houses to utilize low-flow toilets, low-flow shower heads, and low flow faucets consistent with the requirements of the Monterey County Water Resources Agency, and (b) requiring the use of drought-tolerant landscaping within new developments (as specified in the State Model Landscape Ordinance). The City will also support new water retrofitting programs undertaken by the Monterey County Water Resources Agency, such as providing free low-flow plumbing fixtures to existing customers in Gonzales.

Responsible Agencies: Building Department (lead), Public Works Department, Planning Department
Timing: On-going
Funding: Staff time (General Fund)

The City supports such programs on an on-going basis. This program will carry forward for the next planning period.

7. Programs to Reduce Governmental Constraints to Housing Production

7.1: Relaxation of Development Standards. The City will establish criteria for relaxing development standards to encourage the development, conservation, and rehabilitation of affordable housing in the city. The criteria would address the location and price range of the units, the type of occupants to be served, and the long-term commitment of the project to remain affordable. Standards to be relaxed might include square footage requirements, setback requirements, lot sizes, and minimum pavement widths.

Responsible Agencies:	Planning Department (lead), City Manager, Public Works Department, Building Department, Planning Commission, City Council
Timing:	Develop criteria for relaxing development standards and list of possible standards to be relaxed in conjunction with zoning ordinance update, to be completed by June 1998
Funding:	Staff time (General Fund)

The City has not had the opportunity to implement this program. This program will carry forward for the next planning period.

7.2: Streamlined Processing. The City will continue to promote streamlined development processing for all development and will explore measures to reduce delays in project approval. Consideration will be given to adopting a resolution which gives first priority in processing and plan checking to projects which set aside at least 30 percent of their units for lower income households.

Responsible Agencies:	City Manager (lead), Building Department, Planning Department, City Council
Timing:	Prepare Draft Resolution for Council Consideration by July 1997
Funding:	Staff time (General Fund)

The City has successfully streamlined its permitting process for multi-family dwellings by making the Planning Commission the final approval body instead of the City Council. The need to prioritize projects has not been an issue. This program will carry forward for the next planning period.

7.3 Fee Reductions. The City will consider a policy which reduces development impact fees by 20 percent for projects which serve lower income households, and for projects which reuse vacant upper floor space in commercial buildings.

Responsible Agencies:	City Finance Director (lead), Public Works Department, City Manager
Timing:	Adopt fee reduction policy by June 1997
Funding:	Staff time (General Fund)

The City has allowed fee reduction on a case-by-case basis. This program will carry forward for the next planning period.

7.4: Reduced Infrastructure Costs. The City will apply for future Federal funds for water and sewer improvements. If successful in obtaining grant money, the city will consider using a portion of the funds to write down infrastructure improvement costs for development sites in its urban growth area. This would reduce private construction costs and could in turn encourage job growth and more affordable home prices.

Responsible Agencies: City Finance Director (lead), Public Works Department, City Manager
Timing: Apply for funds bi-annually
Funding: Community Development Block Grants

The City has not had the opportunity to implement this program. This program will carry forward for the next planning period.

7.5: Review of Other Agency Plans. The City will carefully review all plans and policies of Monterey County, the Monterey Bay Air Quality Management District, the Monterey County Water Resources Agency, LAFCO, and other public agencies to ensure that these agencies do not take actions which constrain Gonzales' ability to meet its existing and future housing needs.

Responsible Agencies: Planning Department (lead), City Manager, City Council
Timing: On-going
Funding: Staff time (General Fund)

The City has been implementing this program on an on-going basis. This program will carry forward for the next planning period.

7.6: Consider Allowing Multi-Family Units by Right in Multi-Family Zoning Districts. The City will consider modifying use permit requirements for multi-family units. A number of options should be examined, including: (a) waiving the use permit requirement for projects which contain fewer than 5 units; (b) waiving the use permit requirement for projects which meet certain standards, including setbacks, floor area ratio, lot coverage, etc.; (c) waiving the use permit requirements in the new High Density Multi-family zone only and maintaining it in the Medium Density Multi-family zone; (d) replacing the use permit requirement with stricter project design standards in the Multi-family zones; and (e) giving the Planning Commission the authority to grant a use permit without City Council approval. These options should be studied and considered by July 1997.

Responsible Agencies: City Council (lead), City Manager, Planning Department, Planning Commission
Timing: July 1997
Funding: Staff time (General Fund)

The City considered this change upon adopted of the new Medium Density District requirements. The Planning Commission is now the final approval body for a use permit, which streamlines the process for approving multi-family development. A recent such development was approved by the Planning Commission in a single meeting.

8. Programs for Special Needs Populations

8.1: Senior and Disabled Housing. The City will encourage nonprofit sponsors to apply for HUD Section 202 funds for the construction of rental housing for senior and disabled

households. The City will take the actions necessary to expedite processing and approval of such projects if Section 202 funds are received, including assisting the sponsors in locating appropriate sites.

Responsible Agencies: City Manager (lead), Planning Department
Timing: On-going
Funding: Staff time for administration; HUD Section 202 for construction

The City has not had the opportunity to implement this program. This program will carry forward for the next planning period.

8.2: Disabled Access. The City will survey local apartment owners to develop an inventory of units which are equipped for physically disabled persons. The City will then work with the Gonzales Public library to create a referral service for disabled persons who are seeking information on the availability of such units. Owners of such units will be requested to give first priority in renting the units to disabled persons when they become vacant.

Responsible Agencies: Building Department (lead), Planning Department, City Clerk, Gonzales Public Library
Timing: Develop inventory by October 1996
Funding: Staff time (General Fund); possible donation of time by volunteers

The City has not had the opportunity to implement this program. This program will carry forward for the next planning period.

8.3: Migrant Farmworker Housing: Site Identification. The City will assist the Monterey County Housing Authority, agricultural employers, and nonprofit sponsors in locating suitable sites for migrant farmworker housing within the Gonzales vicinity. If an appropriate site is located immediately adjacent to the City, Gonzales will permit its annexation and connection to municipal water and sewer systems at the time the City approves the project. Any migrant farmworker housing constructed will be required to meet the building code requirements set by the State Office of Housing and Community Development.

Responsible Agencies: Monterey County Housing Authority (lead), Planning Department, Public Works Department
Timing: On-going
Funding: Staff time (General Fund)

The City has not had the opportunity to implement this program. This program will carry forward for the next planning period.

8.4: Migrant Farmworker Housing: Funding. Gonzales will encourage nonprofit sponsors and/or the Monterey County Housing Authority to apply for FmHA 514/516 grants and loans that help finance the construction of Migrant Farm Worker rental housing in the Gonzales vicinity.

Responsible Agencies: Monterey County Housing Authority
Timing: On-going
Funding: Farmers Home Administration 514/516 program

The City has not had the opportunity to implement this program. This program will carry forward for the next planning period.

8.5: Conversion of Labor Camps to Cooperatives. The City will support the efforts of Monterey County to convert certain farm labor camps into cooperative housing ("co-ops") using HUD Section 213 funding. If such conversions are proposed in the vicinity of Gonzales, they will be supported provided that the units are reserved for permanent farmworkers.

Responsible Agencies: Monterey County Community Development/nonprofit sponsors
Timing: On-going
Funding: HUD Section 213

The City has not had the opportunity to implement this program. This program will carry forward for the next planning period.

8.6: Single Room Occupancy (SRO) Units. The City will support the development of single room occupancy units and boarding houses on appropriate sites to accommodate single farmworkers. The zoning ordinance should be reviewed to identify specific zoning designations in which these facilities would be compatible. A possible zoning amendment which would set development standards for SROs, including standards for allowing such uses above commercial space in the Mixed-use district, will be considered.

Responsible Agencies: Planning Department (lead), City Manager, Planning Commission, City Council
Timing: Complete comprehensive revision of the zoning ordinance, including provisions for SROs, by June 1998
Funding: Staff time

The City adopted a new zoning ordinance that allows boardinghouses in the Medium density district.

8.7: Homelessness. While Gonzales does not have a visible homeless problem, it is recognized that from time to time, persons in the City may be unable to afford decent shelter. The City will take the following steps to assist such persons:

- (a) cooperate with agencies providing emergency housing to those in need, including public agencies such as the County Department of Social Services and private agencies such as the Salvation Army and local churches;
- (b) nomination of a local representative to the Monterey County Commission on Homelessness. The members of the Commission are appointed by the Board of Supervisors to oversee the implementation of the Monterey County Homeless Services Plan;
- (c) cooperation with Monterey County in their efforts to obtain funds and land throughout the County for homeless prevention services, emergency shelter, and transitional housing; and
- (d) amendment of the zoning ordinance to make transitional housing and emergency shelter allowable uses within at least one zoning district in Gonzales, subject to a Use Permit and conformance to specific development standards.

Responsible Agencies: Planning Department (lead), City Manager, Planning Commission, City Council
Timing: Complete comprehensive revision of the zoning ordinance, including provisions for transitional housing and emergency shelters, by June 2004
Financing: Staff time (General Fund)

The City provides support to the homeless when the opportunity arises by making referrals to Salinas shelters. This program will carry forward for the next planning period.

8.8: Large Family Housing. The housing needs assessment found that overcrowding was a significant problem in Gonzales and that there was a need for housing suitable for large families. In light of these conditions, the City will encourage affordable residential developments that contain an increased number of three, four, and five bedroom units. Possibilities to be considered could include:

- (a) requiring all projects with five or more units (except those for seniors or disabled persons) to contain three or more bedrooms in at least 20 percent of the units;
- (b) allowing increased height limits or reduced setbacks as an incentive to build larger units;
- (c) allowing fee reductions for families that are adding bedrooms in existing homes classified as overcrowded (one or more persons per room) by the US Census;
- (d) using development agreements to negotiate the provision of large units within new subdivisions;
- (e) reviewing the Gonzales zoning and subdivision ordinances and the Gonzales Building Code to make sure that there are no barriers to building large units within residential zones; and
- (f) giving first priority in allocating low-interest rehabilitation loan monies to large family households who are improving unfinished space to alleviate overcrowding in their homes.

Responsible Agencies: Planning Department (lead), City Manager, Building Department
Timing: Perform as part of zoning ordinance revision, to be completed by June 1998
Funding: Staff time (General Fund)

The City has recently required developers to construct up to six bedroom homes. This program will carry forward for the next planning period.

8.9: Single Parent Households. The City will consider modifications to its zoning and building standards to eliminate any barriers to the construction of housing serving single parent households. Planning and Building Staff will work with developers and architects to explore designs which respond to the needs of single parent households. Such designs might include the provision of on-site day care and after-school child care facilities within multi-family residential developments, or the provision of shared kitchen and dining facilities in certain units. Consideration will also be given to an ordinance which requires child care facilities for projects which are larger than 100 units.

Responsible Agencies: Planning Department (lead), Building Department, City Manager

Timing: Complete by June 2004 as part of comprehensive zoning ordinance revision
Funding: Staff time (General Fund)

The City adopted a new zoning ordinance that allows creative design through the application of a Planned Unit Development overlay. Other aspects of this program will carry forward for the next planning period.

8.10: Roommate Referral Bulletin Board. The City will support the establishment of a roommate referral wall bulletin board at the Public Library to assist single parent families that wish to reduce housing costs through shared living arrangements.

Responsible Agencies: Planning Department (lead), Gonzales Public Library
Timing: Set up Bulletin Board by March 2004
Funding: None required

The City has not had the opportunity to implement this program. This program will carry forward for the next planning period.

9. Programs to Promote Monitoring and Coordination

9.1: Monitoring Program. The City will establish a monitoring program to track local housing activity. The program will document the number of units added, rehabilitated, and demolished, as required by the State Department of Finance. It will also identify the number of units produced using government programs such as FmHA 502. As funding and staffing allow, an annual report will be prepared by the Planning Department documenting the data. This will facilitate the evaluation of the Housing Element's effectiveness during its next Update. A summary of the data will be presented to the Planning Commission and City Council each January.

Because the City's policy is to distribute lower income units around Gonzales rather than concentrating them in a single location, the monitoring program will also map the location of the new affordable units produced each year. If such housing appears to be concentrated in one particular area, the city will explore corrective actions so that a more balanced distribution is achieved.

Responsible Agencies: Planning Department (lead), City Manager, Planning Commission, City Council
Timing: Prepare report annually, beginning in January 1997
Funding: Staff time (General Fund)

The City has developed a map of affordable units. This program will carry forward for the next planning period.

9.2: Funding Status Report. Every 2 years or as Staff time allows, the City's Finance and Planning Departments will prepare a report evaluating the eligibility of Gonzales for various state and federal grants and loans for the construction and rehabilitation of housing, and the improvement of local infrastructure.

Responsible Agencies: Finance Department (lead), Planning Department
Timing: Complete first report by January 1997

Funding: Staff time (General Fund)

The City has prepared reports and received a CDBG grant for housing rehabilitation. The City will continue to implement this program will carry it forward for the next planning period.

9.3: Housing Advisory Committee. If the need arises, the City will form a Housing Advisory Committee consisting of interested residents, representatives of local financial institutions, affordable housing advocates, social service organizations, builders/ developers, CHISPA, and City staff. The function of the Committee would be to advise the Gonzales City Council and Planning Commission on Housing policy and program matters.

Responsible Agencies: City Manager (lead), City Council, Planning Commission
Timing: Evaluate the need for a Committee on an annual basis
Funding: Staff time (General Fund); Committee members to serve on a voluntary basis

The City regularly meets with builders, financial institutions, etc. on a regular basis. This program will carry forward for the next planning period.

9.4: Participation in Fair Share Allocation Process. The City is provided with a limited time period to review the AMBAG Housing Needs Plan each time it is prepared (every five years). The City will continue to work with AMBAG during this period to ensure that local needs are accurately reflected.

Responsible Agencies: Planning Department, City Council
Timing: Participate in 1996-1997
Funding: Staff time (General Fund)

The City has participated in past studies and will continue to participate in future studies. This program will carry forward for the next planning period.

9.5: Intergovernmental Cooperation. The City will continue to work with Monterey County and with other communities in the South County area in the development of cooperative agreements to meet the fair share housing goals of these communities.

Responsible Agencies: All City Departments, City Council
Timing: On-going
Funding: Staff time (General Fund)

The City has not had the opportunity to implement this program. This program will carry forward for the next planning period.

H. Goals, Policies, and Quantified Objectives

1. Adequate Sites

Goal 1: A sufficient supply of developable land to meet the housing needs of all current and future residents of Gonzales.

Policies

Policy 1.1 Maintain a sufficient amount of vacant, residentially zoned land within the Gonzales Planning Area to support the housing needs identified in this Element; annex and rezone land when necessary to accommodate new housing.

Policy 1.2: Encourage a range of housing types and densities within the Gonzales Planning Area. Use a variety of residential zoning designations so that this range can be achieved.

Policy 1.3: Support the development of vacant, residentially zoned "infill" sites within the existing City limits.

Policy 1.4: Coordinate the provision of services, such as water, sewer, police, and fire, to those areas where development is planned, and take steps to ensure that public facilities are made available to meet the expected housing growth.

Policy 1.5: Promote balanced, orderly growth to reduce the need for inefficient service extensions which may ultimately add to the cost of housing.

Quantified Objective: Designate at least 15 acres of vacant land in the Gonzales planning area for residential development so that the fair share housing needs for the 2000-2007 period can be accommodated. This land should be zoned in a manner that enables the construction of at least 187 new units between January 1, 2002 and July 1, 2007.

2. Development of Affordable Housing

Goal 2: Safe, sanitary, affordable housing opportunities for lower and moderate-income residents of Gonzales.

Policies

Policy 2.1 Encourage the construction of new housing that varies sufficiently in cost, design, and tenure to meet the needs of existing and future City residents. Opportunities which provide for Gonzales' share of regional housing needs for all income groups, as defined by the AMBAG Regional Housing Needs Plan, will be provided.

Policy 2.2 Promote the balanced distribution of housing that is affordable to lower and moderate-income households rather than concentrating such housing in a single location.

Policy 2.3 Encourage residential builders and developers to include dwelling units suitable for rent or sale to low and moderate-income households within their projects. However, to maintain the quality of life and small town character of Gonzales, all projects will be required to be consistent with all other General Plan objectives and policies.

Policy 2.4 Use a variety of incentives to encourage affordable housing production, including but not limited to density bonuses, waiver of development fees or dedications, streamlined permitting, and use of public funds to reduce development costs. The City also will facilitate the use of federal or state programs which assist in the development of new housing that is consistent with identified Citywide housing needs and adopted local plans and programs.

Policy 2.5 Support state, federal, regional, and County programs which improve the ability of private and nonprofit builders and developers to more effectively respond to local housing needs. Actions which create a positive, stable climate for housing production will be supported.

Policy 2.6 Recognize mobile homes as a viable alternative to the single-family detached home. Land use regulations should not place undue restrictions on the siting of such homes but should include design standards which ensure that they are compatible in character with the surrounding community.

Policy 2.7 In accordance with State law, recognize second units ("in-law" units or "granny flats") as a potentially important component of the affordable housing supply, particularly for elderly renters. Such units shall be encouraged in all residential zones, subject to specific compatibility criteria to be established by the City.

Policy 2.8 Encourage the construction of self-help and owner-built housing as a means of increasing the supply of housing affordable to low- and moderate- income residents.

Policy 2.9 Promote the use of innovative projects (such as planned unit developments) that help increase the number of affordable units. Where necessary to accommodate affordable units, residential density standards should be modified to allow smaller lot sizes, setbacks, and open space requirements. Concepts such as cluster development and zero-lot line housing should be considered, provided that projects meet design criteria which are established by the City and are compatible with the desired character of the community.

Policy 2.10 Encourage projects incorporating affordable residential units above commercial uses within the Mixed-use Zoning District.

Quantified Objective: Production of 96 new units affordable to very low income households, 64 new units affordable to lower-income households, 102 new units affordable to moderate-income households, and 40 units affordable to above moderate-income households between January 1, 2002 and July 1, 2007.

3. Conservation and Improvement of Existing Housing Stock

Goal 3: Improved quality of the existing housing stock so that a safe, healthy environment is provided for all inhabitants.

Policies

Policy 3.1 Support the conservation and rehabilitation of the existing using stock in Gonzales. Public and private efforts that improve existing units while maintaining their affordability will be encouraged.

Policy 3.2 Facilitate the use of federal and state programs which assist lower-income homeowners and renters in the maintenance and rehabilitation of their homes.

Policy 3.3 Enforce local building codes to ensure that housing is safe and sanitary. When substandard dwellings cannot be economically repaired, the City will require their removal and, to the extent feasible, will assist occupants in finding suitable housing elsewhere.

Policy 3.4 Require provision of replacement housing (or relocation of displaced residents) whenever housing units are demolished as a result of government activity, including redevelopment, road widening, and flood control improvements.

Policy 3.5 Discourage the conversion of housing to non-residential uses unless replacement housing is provided at a comparable location nearby.

Policy 3.6 Promote public awareness of the need for housing improvement and neighborhood conservation.

Policy 3.7 Maintain a current inventory of all substandard housing units within the Planning Area.

Quantified Objectives: (1) Pursue funding to rehabilitate at least 25 owner-occupied units (including 5 very low-income units, 15 low-income units, and 5 moderate-income units) and 25 rental units (including 15 very low-income units and 10 low-income units) by July 1, 2007; and (2) Conserve at least 40 very low-income units through July 1, 2007 (through maintenance of the Section 8 voucher program).

4. Community Character/ Environmental Quality

Goal 4: Residential development that protects property values, minimizes adverse environmental impacts, and conserves the small-town atmosphere of Gonzales.

Policies

Policy 4.1 Maintain community design and improvement standards that provide for the development of safe, attractive, functional housing.

Policy 4.2 Manage new residential development in a way which minimizes adverse impacts on natural resources and the overall living environment.

Policy 4.3 Manage the development of land adjacent to existing residential areas in a way which minimizes adverse impacts on neighborhood character.

Policy 4.4 Use zoning and General Plan designations to stabilize neighborhoods and protect the existing housing supply. To this end, low-density residential areas that are currently developed with multi-family units should be designated as Medium or High Density Residential on the Land Use Diagram.

Policy 4.5 Support projects and programs that engender community spirit and neighborhood pride.

Policy 4.6 Support the development of integrated site lower income housing rather than the development of large self-contained lower income apartment complexes. Programs that require the inclusion of lower income housing within market-rate developments shall be encouraged.

Quantified Objective: Implement Programs 4.1 - 4.4 as described in the Action Program.

5. Fair Housing

Goal 5: An end to housing discrimination on the basis of race, color, sex, religion, age, ancestry, marital status, children, or disability.

Policies

Policy 5.1 Support the enforcement of fair housing laws by appropriate State and County agencies.

Policy 5.2 Encourage the development of housing which is affordable to persons who are locally employed, including lower and moderate income persons.

Policy 5.3 Ensure that land development regulations and the General Plan do not have the effect of excluding lower-income groups.

Policy 5.4 Promote public education and awareness regarding lower-income housing needs and fair housing requirements.

Quantified Objective: Implement Programs 5.1 - 5.2 as described in the Action Program.

6. Energy and Water Conservation

Goal 6: Reduced housing expenses for energy and water.

Policies

Policy 6.1 Support state, federal, and utility industry programs which promote energy conservation and which assist homeowners and renters in reducing energy costs.

Policy 6.2 Promote energy efficiency in existing and new housing. Zoning, subdivision, and building code regulations should encourage energy efficient architectural design and site planning.

Policy 6.3 Promote public awareness of the benefits of energy conservation.

Policy 6.4 Promote the use of water-saving devices, drought-tolerant landscaping, and other water conservation measures to achieve a reduction in home water bills for residential customers.

Policy 6.5 Encourage energy conservation through land use and transportation policies. Such policies may include encouraging housing construction close to planned employment and shopping centers (to reduce auto use and gasoline consumption), and requiring sidewalks and bike lanes in new developments.

Quantified Objective: Work with PG&E to achieve energy retrofitting of 10 homes affordable to low and very low-income households by 2007 and to achieve a 50 percent reduction in home

energy use in these units. As required by State law, all newly constructed housing units and additions should be constructed according to Title 24 specifications for energy efficiency.

7. Removal of Constraints

Goal 7: Fewer governmental constraints for constructing or rehabilitating housing.

Policies

Policy 7.1 Ensure that site improvement standards, development review procedures, and development fees do not form a constraint to the development, conservation, and rehabilitation of housing.

Policy 7.2 Minimize excessive permitting requirements and processing delays so that projects can be approved in a timely manner.

Policy 7.3 Allow certain development standards to be relaxed where necessary and appropriate and where there is no threat to the health, safety, and welfare of the City, for development proposals that would provide affordable housing (see Action Program 7.4).

Policy 7.4 Discourage excessive environmental review requirements and delays for projects that are otherwise consistent with the General Plan. The use of Focused EIRs, as defined by CEQA, should be encouraged.

Quantified Objectives: Maintain processing/turn-around time and building fees for affordable units at or below their current levels through 2007 (affordable units require less than 30 percent of gross income for families of various sizes in Monterey County). Implement Programs 7.1 -7.6 as described in the Action Program.

8. Special Needs Populations

Goal 8: Better housing opportunities for seniors, disabled persons, large families, single parent families, farmworkers, and persons in need of emergency shelter.

Policies

Policy 8.1 Encourage the use of state and federal housing assistance programs as they become available to assist groups with special housing needs.

Policy 8.2 Encourage the development of housing for special needs groups, including seniors, disabled persons, large families, single parent families, farmworkers, and those in need of emergency shelter or transitional housing.

Policy 8.3 Cooperate with local nonprofit and public agencies providing services for persons in need of emergency shelter.

Policy 8.4 Encourage the development of housing which incorporates social services for particular populations, such as day care for single mothers, and health care or recreational activities for seniors.

Quantified Objectives: Between January 1, 2002 and July 1, 2007: (1) Produce 15 new units for lower-income seniors or disabled households, either in second units or in "mixed-use" development in the downtown area, (2) Produce 35 new units for lower- and moderate-income large families, (3) Produce 10 new units for farmworkers, possibly by redeveloping under-used second floors in downtown commercial buildings, and (4) Produce 10 new rental units for single parent households.

9. Coordination and Monitoring

Goal 9: Coordination and monitoring of local affordable housing efforts with other cities, the County, and nonprofits.

Policies

Policy 9.1 Monitor local progress towards the achievement of the objectives of this Housing Element.

Policy 9.2 Coordinate local housing efforts with Monterey County, other South County cities, and local nonprofit developers of affordable housing.

Quantified Objectives: Implement Programs 9.1 - 9.7 as described in the Action Program.

**Table IV-32
SUMMARY OF HOUSING TARGETS: JANUARY 1, 2000 - JULY 1, 2007**

Quantified Objective	(1) New Construction	(2) Rehabilitation	(3) Conservation
Very Low-income	96	20	83
Low-income	64	25	0
Moderate-income	102	5	0
Above Moderate-income	40	0	

Column (1): The figures for January 2000 – July 2007 subtract out housing permitted during the first two years of the planning period (1/00 – 12/01)

Column (2): The figures reflect the absence of public assistance funds for housing rehabilitation during the two years of the period and transfer the full rehabilitation need target to the balance of the planning period.

Column (3): The figures represent the City's continued goal of conserving all 83 Section 8 vouchers for Gonzales households.

I. Action Program

This section of the Housing Element presents the action program which implements the Goals, Objectives, and Policies presented in the previous section. The action program is a mandatory component of the Element and must include specific steps that Gonzales will take to achieve the goals and objectives set forth in the previous section.

Housing programs are organized under nine headings, corresponding to the goals in the previous section. Each program includes a brief description accompanied by a list of responsible agencies, including the agency with lead responsibility, the timing of the program (and any associated milestones), and the funding source.

1. Programs to Ensure that Adequate Sites are Provided

1.1: Annexation and Rezoning. The Gonzales zoning map prezones 112 acres of vacant land for Low Density Residential development and 17 acres of vacant land for Medium and High Density development. None of this land is within the current (2003) City limits. Historically, LAFCO has expeditiously approved annexation of prezoned land within the City's SOI (refer to discussion on page 33). During the previous planning period, 56 acres of land were annexed and developed with housing to meet the current demand. However, LAFCO will not entertain annexation applications unless they indicate that the affected agencies have the capability to provide services and a Plan for Services is provided that describes how such services and improvements will be financed. Therefore, the City will pursue annexation when a development proposal includes financial assistance for extending such services.

The City will work with LAFCO to expand its city limits to include at least a 35-acre area (27 acres of land prezoned R-1 and eight acres of land prezoned R-2) as development proposals are received. To reach this goal, the City should require each development proposal to include one acre of R-2 per four acres of R-1 proposed for development. The proposed development should incorporate home-ownership opportunities for lower and moderate-income households. The City will create a timeline and action plan for requesting annexation approval from LAFCO, which will attract developers and encourage new construction. The City will cooperate with the project proponent by granting consultation meetings and by working with the proponent in providing City services to the site.

Responsible Agencies:	City Manager (lead), Planning Department, Planning Commission, City Council
Timing:	Timeline and action plan by July 2003 Annexation of a 30-acre site by July 2004.
Financing:	Staff time (General Fund)

1.2: Creation of Mixed-use Housing Opportunities. The City shall encourage the development of very low-income units in the Mixed-use zoning district in the downtown area. The district allows rental apartments on the upper floors of commercial buildings. The City will circulate flyers, public notices and brochures to promote such opportunities and announce the City's willingness to support proposals that supply low and very low-income housing opportunities. The City will also adopt design guidelines for the downtown that will facilitate approval of new development and redevelopment. This action, combined with Program 2.5, will assist the City in meeting its very low-income housing unit allocation by 2007.

Responsible Agencies: City Manager (lead), Planning Department, Planning Commission, City Council
Timing: Revision of the zoning ordinance and map by June 2004
Financing: Staff time (General Fund)

1.3: Extension of City Services. Gonzales will allocate funds for a citywide plan for public services addressing long-range water, sewer, drainage, solid waste, police, fire, and school capacities and the need for improvements to serve areas designated for new development. A variety of options for extending services to new development areas should be examined, including the formation of assessment districts, federal and state grants, joint powers agreements, and the issuance of municipal bonds.

Responsible Agencies: Public Works Department (lead), City Manager, Planning Department, Planning Commission, City Council
Timing: Complete Plan for public service improvements by January 1, 2004; apply for funding on an ongoing basis
Financing: General Fund allocation for the plan, CDBG and FmHA water and sewer loan/grant funds for improvements

1.4: Maintenance of Land Supply. The City Council will not approve the rezoning of residentially zoned sites to allow non-residential uses unless: (1) the change is required for consistency with the new General Plan, or (2) the Council can make a finding that sufficient residential land exists elsewhere in Gonzales to meet the construction need identified by this Element.

Responsible Agencies: City Council (lead), Planning Commission, City Manager, Planning Department
Timing: On-going
Financing: Not required

1.5: Annual Report. As staffing and funding allows, the City will produce an annual report indicating the amount and location of vacant, residentially zoned land within the Gonzales planning area. The inventory will be made available to nonprofit housing developers as well as other interested parties requesting it.

Responsible Agencies: Planning Department (lead), Building Department
Timing: On-going annual effort, beginning in 2002
Financing: Staff time (General Fund)

1.6: Protection of Urban Growth Area. The City will work with the County to ensure that residential development remains feasible on parcels within the City's Planning Area. The City will oppose actions that prevent urban development from occurring within its Planning Area, including the subdivision of agricultural land into "ranchettes" or parcels smaller than 10 acres. The City will also oppose the use of agricultural easements to preclude development of the lands that it has designated for urban growth in its Land Use Diagram.

Responsible Agencies: City Manager (lead), Planning Department, Planning Commission, City Council
Timing: On-going
Financing: Staff time (General Fund)

1.7: Infill Development. The City will continue to investigate ways to encourage residential "infill" development on vacant lots in older sections of town. Staff will prepare a brief report to the City Council on the current supply of vacant and underutilized land in Gonzales, including the second floors of downtown buildings, underutilized commercial sites, and lots in the Multi-family district which are not developed to their fullest potential. The City will also revise the zoning ordinance to require a conditional use permit for the development of single-family detached residences on large lots within the R2 zoning district.

Responsible Agencies: Planning Department (lead), City Manager, City Council
Timing: Prepare report for Council consideration by July, 2003
Amend zoning ordinance by July 2004
Financing: Staff time (General Fund)

2. Programs Providing Housing Opportunities for Lower and Moderate Income Households

2.1: Administrative and Technical Assistance. The City will provide administrative and technical assistance to private or nonprofit housing development corporations interested in developing housing for persons with lower and moderate incomes. Where appropriate, the City will support nonprofit and public agency applications for state and federal loan and grant monies to initiate the construction of affordable housing.

Responsible Agencies: All City Departments (lead: City Manager's Office)
Timing: On-going
Financing: Staff time (General Fund)

2.2: Mobile Homes. The City will support the use of mobile homes as a more affordable alternative to conventional single-family homes. The Gonzales zoning ordinance will be amended to permit mobile homes on permanent foundations on any lot in a Low Density or Medium Density Residential zone. Such housing will still need to comply with all other provisions for dwellings in these zones. Prior to amendment of the zoning ordinance, the City will consider developing site and architectural review guidelines for mobile homes that ensure that such housing is attractive and compatible with community character. By State law, these guidelines may not be more restrictive than those that apply to conventional homes in the same zone.

Responsible Agencies: City Manager (lead), Planning Department, City Attorney, Planning Commission, City Council
Timing: Revision of the zoning ordinance to include new provisions for mobile homes by June 2003
Financing: Staff time (General Fund)

2.3: Density Bonuses. As required by State law, the City will amend the Gonzales zoning ordinance to make density bonuses of 25 percent available to developers of projects of five units or more which designate: (a) at least 10 percent of the units for lower income households; and (b) 10 percent of the units for very low-income households; and (c) 10 percent of the units for moderate-income households; OR (d) 50 percent of the units for seniors (Government Code Section 65915). If State density bonus requirements change before the City's zoning ordinance update is completed, the City will incorporate the appropriate successor program in its ordinance.

Responsible Agencies: City Manager (lead), Planning Department, City Attorney, Planning Commission, City Council
Timing: Complete comprehensive revision of the zoning ordinance, including provisions for density bonuses, by June 2004
Financing: Staff time (General Fund)

2.4: Second Units. The City will amend the Gonzales zoning ordinance to adjust minimum required lot size for second units and raise the maximum allowed square footage for attached second units to 30 percent of the floor area of the primary unit and for detached second units to 1,200 square feet. The City will also promote through circulation of flyers, brochures and public notices the opportunity for residences and the City's willingness to support the construction of second units.

Responsible Agencies: City Manager (lead), Planning Department, City Attorney, Planning Commission, City Council
Timing: Complete comprehensive revision of the zoning ordinance, including provisions for accessory units, by June 2004
Financing: Staff time (General Fund)

2.5 Mixed-use Development. The City will encourage the development of housing over existing or new commercial space in the Mixed-use zoning district. Priority will be given to such housing when it consists of rental units that are affordable to lower income households, particularly senior or disabled households.

Responsible Agencies: Planning Department (lead), Planning Commission
Timing: On-going
Funding: None required

2.6: Mortgage Revenue Bonds. The City will support the Monterey County Housing Authority in any future issue of Mortgage Revenue Bonds (MRBs). Such bonds provide low cost, tax-exempt financing to developers who make a portion of the units in their projects available to low and moderate-income homebuyers.

Responsible Agencies: Monterey County Housing Authority/Private Developers
Timing: Depends on availability of funds, developer interest, and market conditions
Funding: No cost to City

2.7: Mortgage Credit Certificates. The City will support the future use of Mortgage Credit Certificates (MCCs) by the Monterey County Housing Authority. MCCs are used in lieu of MRBs as a means of increasing home ownership opportunities for moderate-income households. The MCC entitles first-time buyers with incomes less than 115 percent of the County median to reduce their federal taxes by an amount above the usual interest deduction. This allows homebuyers to use more of their incomes on mortgage payments, increasing their effective buying power.

Responsible Agencies: Monterey County Housing Authority
Timing: Depends on actions taken by Monterey County
Funding: No Cost to City

2.8: First-Time Homebuyer Programs. The City will encourage developers to apply for financing through federal, state and local programs that assist first time homebuyers. These include the City's Redevelopment Agency, FmHA 502 interest subsidy program and the California Housing Finance Agency home mortgage program. All programs provide low-interest loans to low and moderate-income households purchasing newly constructed homes. The interest rate varies according to the applicant's adjusted family income. The City will post flyers at the library, post office and City Hall and periodically run ads on the local television station describing such opportunities.

Responsible Agencies: City Manager (lead), City Council, private sector
Timing: On-going
Funding: City Redevelopment Agency, Farmers Home Administration 502 program, CHFA low interest loans

2.9: Affordable Rental Housing Construction. The City will encourage developers to apply for local, state and federal financial assistance to construct rental housing that is affordable to low and moderate-income families. Such assistance may include low interest loans, grants, and rent subsidies, and is available through the Gonzales Redevelopment Agency, the California Housing Finance Agency and the Farmers Home Administration. The achievement of this objective depends on the availability of funding through these programs. The City will post flyers at the library, post office and City Hall and periodically run ads on the local television station describing such opportunities.

Responsible Agencies: City Manager (lead), City Council, private sector
Timing: On-going
Funding: Gonzales Redevelopment Agency, FmHA 515 Rental Housing Construction, CHFA Rental Housing Construction

2.10: Rental Subsidies. The City will support the Monterey County Housing Authority's implementation of the Section 8 housing voucher program. Section 8 is a tenant-based assistance program that provides a subsidy to a landlord based on the difference between 30 percent of the tenant's income and market rent for the unit. Gonzales will support the MCHA's attempts to secure additional funding for the Section 8 program in the City. The City will also support the use of the FmHA Section 521 rent subsidy program for families and seniors living in FmHA-funded projects.

Responsible Agencies: Monterey County Housing Authority
Timing: On-going
Funding: HUD Section 8 Program, FmHA Section 521

2.11: Predevelopment Loans. The City will support the use of programs that assist nonprofit developers in covering front-end costs for affordable housing developments. Such programs include the State Predevelopment Loan Program that provides low-interest loans to nonprofit builders for the purchase of land, site preparation, construction of infrastructure, and payment of architectural and engineering fees. The Gonzales Redevelopment Agency can also provide similar assistance. The City will post flyers at the library, post office and City Hall and periodically run ads on the local television station describing such opportunities.

Responsible Agencies: Private (nonprofit) sector (lead), with administrative support from Planning Department, Public Works Department, and City Manager

Timing: On-going
Funding: California Predevelopment Loan Program; Gonzales
Redevelopment Agency

2.12: Self-Help Housing. The City will support the use of state and federal "self-help" housing programs which enable low and moderate-income homeowners to build their own homes. At the State level, the California Self-Help Housing Program provides technical assistance grants to nonprofits and local governments who provide technical assistance, loan counseling, and mortgage assistance to lower and moderate-income homebuyers. At the Federal level, FmHA 523 funds provide similar grants, while FmHA 524 funds may be used to cover front-end costs for self-help projects. The City will post flyers at the library, post office and City Hall and periodically run ads on the local television station describing such opportunities.

Responsible Agencies: Nonprofit developers (lead), with administrative support provided by Planning Department, Public Works Department, and City Manager
Timing: On-going
Funding: California Self Help Program, FmHA 523/524, City Redevelopment Agency

2.13: Additional Programs. The City will support new housing assistance programs which may become available in the future if they appear to address the housing needs identified in this Element. If such programs become available, the City should provide notification through the local media to Gonzales residents who may be eligible for assistance.

Responsible Agencies: City Manager
Timing: On-going
Funding: Staff time (General Fund)

3. Programs to Conserve and Improve Existing Housing

3.1 Code Enforcement. The City will continue to use its property inspection and code enforcement authority to abate nuisances and maintain a safe, healthy living environment. Enforcement will continue to be conducted on a complaint-responsive basis.

Responsible Agencies: Building Department (lead), County Health Department, Public Works Department, Fire Marshall
Timing: On-going
Funding: Staff time (Existing program; no additional cost)

3.2: Building Inspection. Pursuant to State housing law, the City will continue to require that all housing units being built, rehabilitated, expanded or relocated be inspected by the Building Department.

Responsible Agencies: Building Department
Timing: On-going
Funding: Permit/ impact fees

3.3: Rental to Owner Conversions. The City will discourage the conversion of rental housing to owner occupied housing if the citywide rental vacancy rate is below five percent. The City will

pursue funding to conduct a housing inventory to include a survey of rental units at major apartment complexes in the City and determine the vacancy rate.

Responsible Agencies: Planning Department
Timing: Pursue funding in 2003. Vacancy rate estimate to be determined annually, during period of peak seasonal labor force, beginning in 2003
Funding: Staff time (General Fund)

3.4 Rental Rehabilitation. The City's Redevelopment Area encompasses the older part of town that contains those housing units in need of rehabilitation. As of February 2003, the Gonzales Redevelopment Agency has appropriated a total of \$4,488,376.39 from the issuance of bonds in November 30, 2000 and December 5, 2002. Presently, \$53,996.00 remains unencumbered under the Agency's Low-Moderate Income Housing Fund. All other appropriations have been encumbered as part of the City's Downtown Revitalization Project, to include the Low and Low Moderate Income Housing projects and programs. The specific projects adopted and budgeted over the new five fiscal years include 1) a low-cost loan program for improving specific properties and buildings within the Project Area; 2) the rehabilitation of several designated low and moderate income structures within the Project Area; and 3) a program that will provide subsidies for both low and very low income households. This program is contingent upon the Agency's upcoming request with the County of Monterey for expansion of the Agency's project area in order to incorporate the new Cipriani Estates housing development. The City shall allocate remaining unencumbered Low- and Low-Moderate Income Housing Funds to update its 1979 housing conditions survey.

The City shall continue to utilize redevelopment funds and support state and federal programs that assist in the rehabilitation of rental housing units. First priority will be for rehabilitating rental units violating health and safety codes. The program should be available to all homeowners and renters within the City. The City will post flyers at the library, post office and City Hall and periodically run ads on the local television station describing such opportunities. Possible programs include:

- (a) *California Housing Rehabilitation Program for Renters (CHRP-R)*, which provides low interest loans for the preservation and rehabilitation of unreinforced masonry apartments and the rehabilitation or acquisition of substandard lower income rental housing to bring them into compliance with the State's Health and Safety Code;
- (b) *State HCD Deferred Payment Rehabilitation Loan Program (DPRLP)*, which provides low interest loans to the owners of existing rental homes and apartments for the purpose of rehabilitating these units. Owners are required to maintain the rents at levels that continue to be affordable to lower and moderate-income households after the work is completed;
- (c) *CDBG funds* for housing rehabilitation; and
- (d) *Section 8 Moderate Rehabilitation Program*, which guarantees Section 8 payments to the owner of developments that are being rehabilitated, provided that the tenants are not displaced during rehabilitation.

Responsible Agencies: Building Department (CDBG rental rehab); Monterey County Housing Authority (CHRP-R, DPRLP, Section 8)

Timing: Applications for funding are submitted by the County on an annual basis

Funding: Staff time required for administration; CHRP-R, DPRLP, HUD Section 8, CDBG for construction

3.5: Rehabilitation Loans for Owner-Occupied Units. The City will support local participation in local, state and federal programs that provide low interest loans and grants for the rehabilitation of owner-occupied homes. These programs include:

- (a) *California Housing Rehabilitation Program for Owners (CHRP-0)*, which provides low-interest deferred payment loans up to \$30,000 for rehabilitation of single-family homes occupied by lower income households;
- b) *CDBG fund* for rehabilitating housing units occupied by lower income households; and
- c) *Farmers Home Administration 504*, which allocates home repair loans up to \$7,500 at one percent interest to very low-income families for health- and safety-related repairs.

Responsible Agencies: Monterey County Housing Authority for CHRP-0 loans, City Manager (lead), Planning Department, Finance Department, City Council for FmHA 504 loans and CDBG grants

Timing: Apply for FmHA 504 and CDBG funds on an on-going basis

Funding: City's Redevelopment Agency, staff time for applications; funds from CHRP-O, FmHA 504, and CDBG for rehabilitation work

3.6: Enforcement of Labor Camp Standards. The City will support the Monterey County Environmental Health Department as needed in its enforcement of the State's Employee Housing Act (Title 25) within Gonzales. This Act applies minimum health and safety standards to employer-owned labor camps with five or more employees. There are two such camps located within the City.

Responsible Agencies: Building Department (lead), Monterey County Environmental Health Department

Timing: On-going program; occupancy permits renewed annually

Funding: Staff time (General Fund)

3.7: Additional Programs. The City Manager's office will continue to confer with federal, state, and local officials to monitor the availability of housing assistance programs, tax credits, and other opportunities for housing rehabilitation.

Responsible Agencies: City Manager

Timing: On-going

Funding: Staff time (General Fund)

4. Programs to Protect Community Character

4.1: Housing Preservation. The City will continue to promote the preservation and rehabilitation of older homes in Gonzales. Exterior alterations and additions to single-family homes will be reviewed to ensure that the architectural integrity of the structure is maintained. Demolition of older homes will be discouraged unless: (1) the home poses a health or safety

hazard and cannot be economically restored, or (2) the replacement housing will provide additional needed dwelling units and will be architecturally compatible with the neighborhood.

Responsible Agencies: Planning Department (lead), Building Department, Gonzales Historical Society
Timing: On-going
Funding: Staff time (General Fund)

4.2: Residential Design Guidelines. The City will adopt residential design guidelines which, among other things, would address ways to achieve higher densities using townhomes, manufactured housing/ mobile homes, cottages, duplexes, triplexes, and fourplexes. The intent of the guidelines would be to preserve the single-family character of Gonzales while creating new opportunities for low and very low-income housing. Creative solutions that are compatible with the existing character of Gonzales will be encouraged. These could include small rental cottages on large lots (similar to the development on "C" Street and South Alta), duplexes and triplexes that are designed to resemble single-family homes, and well-landscaped mobile home parks.

Because funds to develop design guidelines are limited, the City will explore the possibility of a no-cost cooperative effort with a nearby college or university Architecture Department (through a classroom "studio"), or the use of a design competition to generate creative solutions. If this proves infeasible, the City will obtain design guidelines from other cities facing similar issues and will adapt these guidelines to reflect local conditions.

Responsible Agencies: Planning Department (lead), City Manager, Planning Commission, City Council
Timing: To be tied in with zoning ordinance revision and completed by June 2004
Funding: Staff time (General Fund)

4.3: General Plan Update. The City will review the content of its General Plan on a yearly basis and will adopt updates from time to time as conditions and issues change.

Responsible Agencies: Planning Department (lead), City Manager, Planning Commission, City Council
Timing: On-going
Funding: Staff and consultant time (General Fund)

5. Programs Promoting Fair Housing

5.1: Public Information. The City will promote education and awareness of fair housing laws by making public information on these laws available. Bilingual fair housing materials will be posted in prominent locations at City Hall, the Post Office, local churches, the Gonzales Senior Center and Community Room, the Gonzales Public Library, and if possible, local grocery stores. The City will also explore placement of an informational flyer on fair housing complaints at these locations.

Responsible Agencies: City Clerk (lead), Planning Department
Timing: Post materials by December 2003
Funding: Staff time (General Fund)

5.2 Discrimination Complaints. The City will direct residents with discrimination complaints to the State Department of Fair Employment and Housing. The City will also support the Mediation Center of Monterey County and the County Housing Authority if they are requested to address any future discrimination complaints in Gonzales.

Responsible Agencies: City Clerk (lead)
Timing: On-going
Funding: None required

6. Programs Promoting Energy and Water Conservation

6.1: Title 24. The City will continue to require compliance with the Title 24 energy efficiency standards established by the California Energy Commission. Adhering to these standards can reduce energy costs in new construction by as much as 50 percent. The standards are state-mandated and are already being followed by the City; no further local code changes are required.

Responsible Agencies: Building Department
Timing: On-going
Funding: Building Permit fees (on-going program)

6.2: Property Transfer Inspections. If staff resources become available, the City will consider adopting a property inspection ordinance that would require that all dwelling units be inspected for compliance with Title 24 regulations at the time they are sold. Sellers of units that lack the recommended energy-efficient features would be required to cover the cost of upgrading the units prior to sale.

Responsible Agencies: Building Department (lead), City Manager, City Council
Timing: Prepare Staff Report outlining the provisions and logistics of such an ordinance by January 2004
Funding: Property Inspection Fee

6.3: Amendments to Subdivision Regulations. The City will consider amending the Gonzales Subdivision Regulations to include provisions for energy conserving design. These provisions could include landscaping requirements for parking lots, allowing narrower streets with tree plantings, and site planning criteria that achieve optimal solar access. The City will also encourage the use of energy-efficient appliances, heating, and air conditioning systems within new homes and apartments.

Responsible Agencies: Planning Department (lead), Building Department, City Manager, City Council
Timing: Perform as part of the comprehensive zoning ordinance revision, to be completed by June 2004
Funding: Staff time (General Fund)

6.4: Support of PG&E Programs. The City will continue to support Pacific Gas and Electric programs that reduce residential energy costs. These programs include energy audits and weatherization of existing homes, rebates for energy efficiency upgrades, and reduced rates for seniors and lower income households.

Responsible Agencies: Building Department (lead), Public Works Department

Timing: On-going
Funding: Private sector (PG&E)

6.5: Water Conservation. The City will continue to promote ways to reduce monthly home water bills. Such measures already include: (a) requiring new houses to utilize low-flow toilets, low-flow shower heads, and low flow faucets consistent with the requirements of the Monterey County Water Resources Agency, and (b) requiring the use of drought-tolerant landscaping within new developments (as specified in the State Model Landscape Ordinance). The City will also support new water retrofitting programs undertaken by the Monterey County Water Resources Agency, such as providing free low-flow plumbing fixtures to existing customers in Gonzales.

Responsible Agencies: Building Department (lead), Public Works Department, Planning Department
Timing: On-going
Funding: Staff time (General Fund)

7. Programs to Reduce Governmental Constraints to Housing Production

7.1: Relaxation of Development Standards. The City will establish criteria for relaxing development standards to encourage the development, conservation, and rehabilitation of affordable housing in the city. The criteria would address the location and price range of the units, the type of occupants to be served, and the long-term commitment of the project to remain affordable. Standards to be relaxed might include square footage requirements, setback requirements, lot sizes, and minimum pavement widths.

Responsible Agencies: Planning Department (lead), City Manager, Public Works Department, Building Department, Planning Commission, City Council
Timing: Develop criteria for relaxing development standards and list of possible standards to be relaxed in conjunction with zoning ordinance update, to be completed by June 2004
Funding: Staff time (General Fund)

7.2: Streamlined Processing. The City will continue to promote streamlined development processing for all development and will explore measures to reduce delays in project approval. Consideration will be given to adopting a resolution which gives first priority in processing and plan checking to projects which set aside at least 30 percent of their units for lower income households.

Responsible Agencies: City Manager (lead), Building Department, Planning Department, City Council
Timing: Prepare Draft Resolution for Council Consideration by July 2003
Funding: Staff time (General Fund)

7.3 Fee Reductions. The City will consider a policy that reduces development impact fees by 20 percent for projects that serve lower income households, and for projects which reuse vacant upper floor space in commercial buildings.

Responsible Agencies: City Finance Director (lead), Public Works Department, City Manager

Timing: Adopt fee reduction policy by June 2003
Funding: Staff time (General Fund)

7.4: Reduced Infrastructure Costs. The City will apply for future Federal funds for water and sewer improvements. If successful in obtaining grant money, the city will consider using a portion of the funds to write down infrastructure improvement costs for development sites in its urban growth area. This would reduce private construction costs and could in turn encourage job growth and more affordable home prices.

Responsible Agencies: City Finance Director (lead), Public Works Department, City Manager
Timing: Apply for funds bi-annually
Funding: Community Development Block Grants

7.5: Review of Other Agency Plans. The City will carefully review all plans and policies of Monterey County, the Monterey Bay Air Quality Management District, the Monterey County Water Resources Agency, LAFCO, and other public agencies to ensure that these agencies do not take actions which constrain Gonzales' ability to meet its existing and future housing needs.

Responsible Agencies: Planning Department (lead), City Manager, City Council
Timing: On-going
Funding: Staff time (General Fund)

Responsible Agencies: City Council (lead), City Manager, Planning Department, Planning Commission
Timing: July 2003
Funding: Staff time (General Fund)

8. Programs for Special Needs Populations

8.1: Senior and Disabled Housing. The City will encourage nonprofit sponsors to apply for HUD Section 202 funds for the construction of rental housing for senior and disabled households. The City will take the actions necessary to expedite processing and approval of such projects if Section 202 funds are received, including assisting the sponsors in locating appropriate sites.

Responsible Agencies: City Manager (lead), Planning Department
Timing: On-going
Funding: Staff time for administration; HUD Section 202 for construction

8.2: Disabled Access. The City will survey local apartment owners to develop an inventory of units that are equipped for physically disabled persons. The City will then work with the Gonzales Public library to create a referral service for disabled persons who are seeking information on the availability of such units. Owners of such units will be requested to give first priority in renting the units to disabled persons when they become vacant.

Responsible Agencies: Building Department (lead), Planning Department, City Clerk, Gonzales Public Library
Timing: Develop inventory by October 2003
Funding: Staff time (General Fund); possible donation of time by volunteers

Funding: Staff time (General Fund); possible donation of time by volunteers

8.3: Migrant Farmworker Housing: Site Identification. The City will assist the Monterey County Housing Authority, agricultural employers, and nonprofit sponsors in locating suitable sites for migrant farmworker housing within the Gonzales vicinity. If an appropriate site is located immediately adjacent to the City, Gonzales will permit its annexation and connection to municipal water and sewer systems at the time the City approves the project. Any migrant farmworker housing constructed will be required to meet the building code requirements set by the State Office of Housing and Community Development. Amend the zoning ordinance to allow farmworker housing in the Industrial and Agricultural zoning districts.

Responsible Agencies: Monterey County Housing Authority (lead), Planning Department, Public Works Department
Timing: On-going. Amend zoning ordinance by June 2004.
Funding: Staff time (General Fund)

8.4: Migrant Farmworker Housing: Funding. Gonzales will encourage nonprofit sponsors and/or the Monterey County Housing Authority to apply for FmHA 514/516 grants and loans that help finance the construction of Migrant Farm Worker rental housing in the Gonzales vicinity.

Responsible Agencies: Monterey County Housing Authority
Timing: On-going
Funding: Farmers Home Administration 514/516 program

8.5: Conversion of Labor Camps to Cooperatives. The City will support the efforts of Monterey County to convert certain farm labor camps into cooperative housing ("co-ops") using HUD Section 213 funding. If such conversions are proposed in the vicinity of Gonzales, they will be supported provided that the units are reserved for year-around farmworkers.

Responsible Agencies: Monterey County Community Development/nonprofit sponsors
Timing: On-going
Funding: HUD Section 213

8.6: Homelessness. While Gonzales does not have a visible homeless problem, it is recognized that from time to time, persons in the City may be unable to afford decent shelter. The City will take the following steps to assist such persons:

- (a) cooperate with agencies providing emergency housing to those in need, including public agencies such as the County Department of Social Services and private agencies such as the Salvation Army and local churches;
- (b) nomination of a local representative to the Monterey County Commission on Homelessness. The members of the Commission are appointed by the Board of Supervisors to oversee the implementation of the Monterey County Homeless Services Plan;
- (c) cooperation with Monterey County in their efforts to obtain funds and land throughout the County for homeless prevention services, emergency shelter, and transitional housing; and
- (d) amendment of the zoning ordinance to make transitional housing and emergency shelter allowable uses within at least one zoning district in Gonzales, subject to a Use Permit and conformance to specific development standards.

Responsible Agencies: Planning Department (lead), City Manager, Planning Commission, City Council
Timing: Complete comprehensive revision of the zoning ordinance, including provisions for transitional housing and emergency shelters, by June 2004
Financing: Staff time (General Fund)

8.7: Large Family Housing. The housing needs assessment found that overcrowding was a significant problem in Gonzales and that there was a need for housing suitable for large families. In light of these conditions, the City will encourage affordable residential developments that contain an increased number of three, four, and five bedroom units. Possibilities to be considered could include:

- (a) requiring all projects with five or more units (except those for seniors or disabled persons) to contain three or more bedrooms in at least 20 percent of the units;
- (b) allowing increased height limits or reduced setbacks as an incentive to build larger units;
- (c) allowing fee reductions for families that are adding bedrooms in existing homes classified as overcrowded (one or more persons per room) by the US Census;
- (d) using development agreements to negotiate the provision of large units within new subdivisions;
- (e) reviewing the Gonzales zoning and subdivision ordinances and the Gonzales Building Code to make sure that there are no barriers to building large units within residential zones; and
- (f) giving first priority in allocating low-interest rehabilitation loan monies to large family households who are improving unfinished space to alleviate overcrowding in their homes.

Responsible Agencies: Planning Department (lead), City Manager, Building Department
Timing: Perform as part of zoning ordinance revision, to be completed by June 2004
Funding: Staff time (General Fund)

8.8: Single Parent Households. The City will consider modifications to its zoning and building standards to eliminate any barriers to the construction of housing serving single parent households. Planning and Building Staff will work with developers and architects to explore designs that respond to the needs of single parent households. Such designs might include the provision of on-site day care and after-school childcare facilities within multi-family residential developments, or the provision of shared kitchen and dining facilities in certain units. Consideration will also be given to an ordinance that requires childcare facilities for projects that are larger than 100 units.

Responsible Agencies: Planning Department (lead), Building Department, City Manager
Timing: Complete by June 2004 as part of comprehensive zoning ordinance revision
Funding: Staff time (General Fund)

8.9: Roommate Referral Bulletin Board. The City will support the establishment of a roommate referral wall bulletin board at the Public Library to assist single parent families that wish to reduce housing costs through shared living arrangements.

Responsible Agencies: Planning Department (lead), Gonzales Public Library
Timing: Set up Bulletin Board by March 2004
Funding: None required

9. Programs to Promote Monitoring and Coordination

9.1: Monitoring Program. The City will establish a monitoring program to track local housing activity. The program will document the number of units added, rehabilitated, and demolished, as required by the State Department of Finance. It will also identify the number of units produced using government programs such as FmHA 502. As funding and staffing allow, an annual report will be prepared by the Planning Department documenting the data. This will facilitate the evaluation of the Housing Element's effectiveness during its next Update. A summary of the data will be presented to the Planning Commission and City Council each January.

Because the City's policy is to distribute lower income units around Gonzales rather than concentrating them in a single location, the monitoring program will also map the location of the new affordable units produced each year. If such housing appears to be concentrated in one particular area, the city will explore corrective actions so that a more balanced distribution is achieved.

Responsible Agencies: Planning Department (lead), City Manager, Planning Commission, City Council
Timing: Prepare report annually, beginning in January 2004
Funding: Staff time (General Fund)

9.2: Funding Status Report. Every 2 years or as Staff time allows, the City's Finance and Planning Departments will prepare a report evaluating the eligibility of Gonzales for various state and federal grants and loans for the construction and rehabilitation of housing, and the improvement of local infrastructure.

Responsible Agencies: Finance Department (lead), Planning Department
Timing: Complete first report by January 2004
Funding: Staff time (General Fund)

9.3: Housing Advisory Committee. If the need arises, the City will form a Housing Advisory Committee consisting of interested residents, representatives of local financial institutions, affordable housing advocates, social service organizations, builders/ developers, CHISPA, and City staff. The function of the Committee would be to advise the Gonzales City Council and Planning Commission on Housing policy and program matters.

Responsible Agencies: City Manager (lead), City Council, Planning Commission
Timing: Evaluate the need for a Committee on an annual basis
Funding: Staff time (General Fund); Committee members to serve on a voluntary basis

9.4: Participation in Fair Share Allocation Process. The City is provided with a limited time period to review the AMBAG Housing Needs Plan each time it is prepared (every five years). The City will continue to work with AMBAG during this period to ensure that local needs are accurately reflected.

Responsible Agencies: Planning Department, City Council
Timing: Participate in 2003-2004
Funding: Staff time (General Fund)

9.5: Intergovernmental Cooperation. The City will continue to work with Monterey County and with other communities in the South County area in the development of cooperative agreements to meet the fair share housing goals of these communities.

Responsible Agencies: All City Departments, City Council
Timing: On-going
Funding: Staff time (General Fund)

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